

bouilletin





4.1
The Department of State

bulletin

VOL. XVIII, No. 457 • PUBLICATION 3110

April 4, 1948

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Publications, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

SUBSCRIPTION:
52 issues, \$5; single copy, 15 cents

Published with the approval of the
Director of the Bureau of the Budget

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

4.1

DEP SIT D BY THE
UNITED STATES OF AMERICA

APR 14 '48

JX
232
A 435

WORLD HEALTH ORGANIZATION—PROGRESS AND PLANS

By H. van Zile Hyde, M.D.

Alternate U. S. Representative, Interim Commission

The first World Health Assembly, which is scheduled to meet in Geneva on June 24, 1948, will mark the beginning of full-scale WHO activity and the termination of the interim phase of the development of the international health agency planned at the International Health Conference in New York during the summer of 1946. The completion of planning for the Assembly by the Fifth Session of the Interim Commission, which met in Geneva January 22–February 7, 1948, provides an appropriate point for reviewing the work and accomplishments of the Commission and for previewing the potentialities and work of the WHO itself.

The gap between the International Health Conference and the World Health Assembly has been prolonged well beyond the most pessimistic predictions. At the time of the Assembly the Interim Commission will have been in existence two years. At the Conference in New York, plenipotentiaries of 62 governments, representing essentially the total population of the world, signed on July 22, 1946, the constitution of the WHO in an atmosphere of enthusiasm and confidence. It was anticipated that confirmation of these signatories would be rapidly forthcoming. China and the United Kingdom had signed without reservation. Then things slowed down. Nineteen months after the signing, when only 20¹ of the required 26 members of the United Nations had deposited instruments of acceptance, the Interim Commission set the June date for the Assembly in trust that the required number of deposits would be rapidly forthcoming.

This decision was taken when neither the United States, the Union of Soviet Socialist Republics, nor France, all active members of the Interim Commission, had deposited their instruments of acceptance. It was taken in the belief that further prolongation of the interim phase would be damaging to international cooperation in health. The states serving on the Interim Commission have become acutely sensitive to the fact that they, as a small group, have been directing international health activities on behalf of all signatories to

the constitution over a long period, even though some of them have not accepted the constitution and others who are not members of the Commission have done so long since. It is to be hoped that the action taken in calling the Assembly will serve as a stimulant to this important movement.

Assuming that 26 members of the United Nations deposit instruments of acceptance of the constitution before June 24 (which must be the case if the Assembly is to meet) there will be at least 34 members of the WHO at that time, since 8 non-members² of the United Nations have already deposited their instruments of acceptance.

The Interim Phase

The International Health Conference recognized that there would be an interval between its conclusion and the first meeting of the World Health Assembly. In order to provide for this interval, it established, through an arrangement signed by 61 governments, an Interim Commission composed of representatives of 18 members³ of the United Nations. The arrangements laid down the responsibilities of the Commission. Chief among these were the development of proposals for the program and budget for the first year of the WHO; the provisional agenda of the first World Health Assembly, with necessary documents and recommendations relating thereto; studies in re-

¹ China, the United Kingdom, Canada, Iran, New Zealand, Syria, Liberia, Ethiopia, the Netherlands, Saudi Arabia, the Union of South Africa, Haiti, Norway, Sweden, Iraq, Siam, Yugoslavia, India, Turkey, and Egypt. Australia, Czechoslovakia, Greece, and the Union of Soviet Socialist Republics have since deposited their instruments of acceptance, making a present total of 24 members of the United Nations who have become members of the WHO.

² Switzerland, Transjordan, Italy, Albania, Austria, Finland, Ireland, and Portugal.

³ Australia, Brazil, Canada, China, Egypt, France, India, Liberia, Mexico, the Netherlands, Norway, Peru, the Ukrainian Soviet Socialist Republic, the United Kingdom, the United States of America, the Union of Soviet Socialist Republics, Venezuela, and Yugoslavia.

gard to headquarters and regional organization; and the relationship of the WHO to the United Nations and to other specialized agencies as well as to nongovernmental organizations interested in fields related to health. The arrangement also provided that the Interim Commission should take the steps necessary to effect the transfer to it, and later to the WHO, of the functions and duties of the League of Nations Health Organization and the International Office of Public Health of Paris.

The Commission has met at quarterly intervals to carry on this work. At its first session, which was held in New York immediately following the International Health Conference, Dr. Brock Chisholm of Canada was elected Executive Secretary. Under his direction, a staff has been developed and offices established in New York, Geneva, and Singapore. At its fifth session, held in Geneva, the Commission concluded its major work. In the near future its recommendations regarding the agenda of the World Health Assembly and the program and relationships of the World Health Organization will be transmitted to signatories of the WHO constitution and to the Interim Commission. A final session of the Commission will be held on June 18, 1948, just prior to the World Health Assembly, to review and approve a narrative report to the World Health Assembly and such other supplemental reports and recommendations as may be required by circumstances.

Despite the frequency of meetings and the travel involved, the sessions of the Interim Commission have been attended by never less than 14 of its 18 members, showing continued active interest in international health on the part of the member governments.

The United Nations has made funds available for the work of the Commission, authorizing loans amounting to \$3,000,000 for the two-year life of the Commission. Present estimates indicate that the Commission will draw approximately \$2,700,000 against this authorization. In addition, by agreement with UNRRA, \$3,000,000 has been transferred to the Interim Commission from that agency for the continuation of certain health functions in UNRRA-receiving countries.

The work of the Commission has fallen under three quite distinct headings, namely:

- (1) Planning for the WHO;
- (2) Consolidation and continuation of the work of pre-existing international health agencies;
- (3) Continuation of certain health functions of UNRRA by arrangement with UNRRA.

Planning for the WHO

The major task of the Interim Commission has been to lay the groundwork for the WHO. This planning is certain to shape the course of the WHO for many years to come. Although the

program proposed by the Interim Commission will be modified in many ways by the World Health Assembly, it can be expected that the basic principles incorporated in it will remain as the determinants of WHO policy in its formative years.

It is important to examine, in a general way, the plans which have been formulated, in an attempt to preview the organization that is emerging and the factors giving it shape.

Program

In developing program proposals, the Interim Commission has been conscious of the broad scope of the WHO constitution, which aims at the improvement of the physical, mental, and social health of all peoples. It has been conscious, as well, of the time range of this task, which indeed stretches into infinity. It has attempted to enclose this breadth and time-reach into a program measured by the realities of present international life. Recognizing that the WHO can make only a beginning in its first year, the Commission has focused its proposals for action programs on major world health problems for the solution of which there are methods already at hand. Under the proposals the WHO would assist governments in building up effective national programs in these fields, as a first step toward its general objective of strengthening national health services throughout the world. The Commission's proposals further provide for study and planning in regard to other major problems for which there appears to be a promise of early development of methods applicable on a wide basis. It has subordinated those important but frustrating problems in which there is a sense of urgency but as yet no method lending itself to international approach. These problems, by their nature, require intensive study at national and local levels before international action can be taken.

In November 1947 the Commission, after careful deliberation, assigned top priority to certain fields of activity and intensified its planning activities in these fields. The disease problems thus chosen for emphasis have certain common characteristics, namely, high world attack rates, involving many millions of persons annually; increased incidence directly resulting from war; and methods of control not widely exploited. In addition to giving high priority to these diseases, the Commission recognized the paramount importance to the world of the development of healthy successor generations by the application of new techniques in maternal and child hygiene.

The disease entities singled out, on the above basis, for emphasis are malaria, tuberculosis, and the group of venereal diseases, with special reference to syphilis. It will be well to examine separately the reasons behind this selection.

Malaria

At first sight malaria would perhaps appear to be a disease of regional concern in the tropical and semitropical zones. Quite otherwise, it is today of prime importance to the entire world. In a time of acute world food shortage, it attacks some 300 million persons annually, killing some 3 million of them. For the most part these victims are the workers in the great agricultural areas of the world. The tremendous impact of malaria in these areas is felt in more favorable, nonmalarious climes in the deprivation of food and is evidenced by the effects of malnutrition. The debilitating effect of chronic and recurrent malaria reduces markedly the productivity of essential manpower. It suppresses the alertness of mind and body needed for the application of modern agricultural science in areas which remain backward in a forward-looking age. This situation persists even though malaria can be controlled even to the point of eradication by methods whose effectiveness has been proved in every continent. Today, with the advent of new tools of control, such as the dramatically effective DDT, malaria is more than ever susceptible of complete eradication.

What is required is the extension of knowledge and provision of leadership to affected areas. In Greece, for example, where, through the centuries, malaria has annually attacked 1 to 3 millions of a population of 7.5 millions, the disease has been reduced to a minor problem—by Greeks—under the leadership of a handful of experts sent into the country by UNRRA and maintained there now by the Interim Commission. As a further example of accomplishment in this field by a small outlay of funds—coupled with a large outlay of expertise—one can cite the wartime experience of Egypt with malaria. In 1944, upper Egypt was invaded by *Anopheles gambiae*, the most vicious vector of malaria. Tens of thousands of deaths resulted. In 1945, in one season, this mosquito was completely eradicated throughout Egypt—by Egyptians—with "know-how" supplied by three or four experts of the Rockefeller Foundation. Malarious countries can themselves conquer malaria with incentive and technical assistance supplied on an international basis.

FAO, as well as WHO, has recognized the significance of malaria in retarding full agricultural productivity. FAO knows that it is handicapped in attaining its objectives so long as populations are held back physically and mentally by this disease. It has sought the aid and advice of the Interim Commission in this matter. In the FAO schemes for development of irrigation projects in malarious zones, such as the Middle East, there stands a threat of increasing the incidence of malaria unless plans are drawn and carried out with attention to mosquito control at each step.

The Interim Commission has seen in malaria

a truly world problem toward the solution of which the WHO can make a major contribution by the rapid extension and application of existing technical knowledge.

Tuberculosis

Tuberculosis is, of course, one of the great enemies of mankind. During the war, deaths from this disease increased almost everywhere as a result of crowding, malnutrition, and the intimate association of open cases of the disease with the general population due to the breakdown of control measures. Indeed, during 1944 and 1945, the death rates in Europe reached most alarming heights, in many places doubling the prewar rate. Since that time there has been a deceptive reduction in current tuberculosis death rates, due to the fact that many of those persons who would normally have survived to swell the present death rate died earlier than would have been their expected lot. The rate of infection, however, remains high, as revealed by mass X-ray and tuberculin surveys, threatening a progressive increase in death rates during ensuing years. Important steps can be taken to ward off this increase and reduce, progressively, the rate of infection. Long-established methods of control, which have proved highly effective where they have been well developed, require extension and strengthening. The essence of these control measures is the finding and isolation of contagious cases.

There is, however, a relatively new tool, which only of late has won wide acceptance. The Scandinavian and other countries including France, Canada, and the United States, have produced convincing evidence of the effectiveness, in the control of tuberculosis, of the use of a vaccine known as BCG (Bacillus Calmette-Guérin) which was developed in France almost three decades ago. It remains now to determine the exact place of BCG, in relation to other control measures, in the over-all control of tuberculosis. It is quite fully agreed however that BCG has a vital role to play in the international control of tuberculosis. It is the tool that offers hope of immediate benefit, while the world attempts to build the economic foundations which are essential to the control of tuberculosis by older, more orthodox control measures. These latter measures depend upon a sound economic structure which makes available to all proper food, clothing, housing, medical care, and hospitalization. Internationally, the final conquest of tuberculosis is in the hands of the United Nations itself and those of its specialized agencies concerned with world economic health. Tuberculosis is a disease that can be suppressed by a planned attack. The low death rate of 32 per 100,000 in Denmark, as contrasted with rates of 200 to 400 per 100,000 in

several other areas of Europe, is a direct result of such attack.

The Interim Commission has recognized that the WHO can contribute significantly toward its control through the extension of professional knowledge by fellowships, demonstrations, and expert advice to governments, through the extension of public knowledge concerning the disease and its method of spread, by the promotion of the eradication of tuberculosis in cattle, and particularly, now, by the extension of the use of BCG vaccine.

The Commission has not felt it prudent to wait for the WHO in order to extend the use of BCG vaccine in areas in which tuberculosis is epidemic. It is therefore sending teams to India, at the request of that Government, to demonstrate the technique of vaccination in the hope of extending its use there on a wide basis. At the same time it is providing to the International Children's Emergency Fund a panel of experts to advise the Fund on the technical aspects of a program upon which the Fund is embarking to vaccinate an estimated 15 million children in Europe. The Commission has, as well, accepted the responsibility for conducting studies to determine the effect on tuberculosis rates of this vast vaccination program.

Venereal Disease

As is usual during and following war, there has been a tremendous upsurge of venereal disease over wide areas. The movement of masses of peoples, troops, and displaced civilians, the shattered economy of nations and degradation of morals which are inherent in warfare form the basis of this increase. Concurrently, in countries not directly affected by war, the incidence of venereal disease is exceedingly high as a concomitant of social backwardness. There are, for instance, extensive areas in Africa in which over 75 percent of the population is infected with syphilis. By way of contrast, certain countries, with high social and health standards, had reduced venereal disease prior to the war to a problem of minor significance. This was the case, particularly, in the Scandinavian countries, but even those countries reported a six to tenfold increase in the incidence of syphilis during the war. Venereal disease, particularly syphilis, is a serious economic burden upon the generation which tolerates it and places upon the successor generation a heavy burden of congenitally infected dependents.

Even while the war-caused increase in venereal disease was occurring, a momentous event took place in the discovery of the effectiveness of penicillin in the treatment of both syphilis and gonorrhea. At last, a quick-acting, highly effective curative agent had been found and was in production on a large scale. It is important that this new agent be used to its full effectiveness, as rapidly as possible, in the treatment and control of venereal

disease on a world-wide scale. This requires a rapid extension of technical knowledge in regard to its use.

While extending the use of penicillin, it is of equal importance that long-established control methods, involving case finding, contact tracing, mass blood testing, suppression of prostitution, provisions of treatment, et cetera, be also extended and applied in the ways that have been found effective in countries which have demonstrated the effectiveness of control measures. Such measures include the lifting of the veils of mystery, fear, and shame from the face of this problem, and alerting the population to an awareness of the symptoms of venereal disease so that there is full public understanding of its real nature.

Venereal disease cannot be tackled single-handedly by the WHO. In view of its basic social nature it requires a combined attack by the commissions of the United Nations, particularly the Social Commission, UNESCO, and other interested voluntary agencies. The attack on these diseases must be a joint coordinated attack, with the WHO providing guidance and impetus to the technical aspects of the problem.

Maternal and Child Health

It is scarcely necessary to emphasize the importance of improving the lot of children throughout the world. The intense interest in the International Children's Emergency Fund is a clear demonstration of the full recognition of the need and importance of children in developing a stable world of the future.

Nowhere better than in the United States could one be conscious of the value of well-constructed programs for the care and guidance of mothers and children. Between the years 1933 and 1945 the reduction in infant mortality from 58.1 to 35.1 deaths per thousand live births, and the reduction in the maternal death rate in child birth from 6.2 to 2.1 per thousand live births, is a tribute to the value of a deliberate attack on the part of the medical and related health and social professions as well as of voluntary and governmental agencies.

The benefit of this experience can be extended to other parts of the world where, among tens of millions of people—perhaps hundreds of millions—20 to 30 percent of infants die in the first year and as high as 50 percent before the fifth year. In those areas the majority that survive are afflicted by avoidable chronic, wasting diseases such as hookworm, trachoma (which leads to blindness), schistosomiasis (a fluke infection debilitating large populations in tropical and semitropical areas, e.g., Egypt, where over half of the population is infected), and are further reduced in effectiveness by prolonged malnutrition and an unhealthy mental adaptation to their environment.

On the instance of the representative of the U.S.S.R. at the third session of the Interim Commission, a high priority was assigned to the development of a WHO program in the field of child health. At the fifth session, the United States Delegation presented a carefully constructed plan for action in this field. This plan was fully supported by the Interim Commission and incorporated in its program recommendations to the World Health Assembly.

It is necessary that the present generation approach aggressively the problem of building successor generations on a solid foundation. The World Health Organization can contribute greatly to this by focusing attention upon the problem and by extending to all parts of the world, by means of fellowships and expert advice to governments, knowledge that is readily available.

Other Activities

The Interim Commission has grouped numerous fields which require varied attention in a well-balanced program directed at the current world health problems. Generous provision has been made in the proposed budget for the group, with wide latitude being granted to the Director General and Executive Board in the rate and manner of development of specific programs. Among the fields included in this group are public health administration, nursing, sanitary engineering, industrial and rural hygiene, public health education, mental health, nutrition, schistosomiasis, leprosy, influenza, poliomyelitis, and cancer.

The proposed program makes special and generous provision for fellowships in recognition of the vital importance of the trained individual as the foundation of an effective health service. The experience of the Interim Commission in administering fellowships under the funds transferred from UNRRA (see below) has convinced it of the basic importance of this method of extending knowledge in such a way that it will be applied to current problems.

The proposed program further provides for the continuation and extension of work taken over from pre-existing international health agencies (Office of League of Nations). This can be more usefully discussed in connection with the operating phase of the Interim Commission work* (see below).

Budget

The budget being proposed to the World Health Assembly covers the first full fiscal year of the WHO (January 1-December 31, 1949). No specific proposal is being put forward for the final months of 1948, which will constitute the initial period of the WHO. The Interim Commission felt that the budget for that period could better be drawn up

by the World Health Assembly after decisions have been taken as to the date of termination of the Interim Commission, the site of the headquarters of the WHO, and the level of activity during the first full year. This period, of perhaps four months, will constitute a transitional period from the interim to the full initial level of WHO activities, and its financing will require supplementation of the approved 1948 Interim Commission budget. It is hoped that this transitional budget may include provisions for repayment of indebtedness to the United Nations and for the establishment of a working capital fund so that the WHO may begin its first full year on a sound financial base.

The budget proposed for 1949 totals \$6,473,991. The Interim Commission is presenting it as a working document for the World Health Assembly rather than as a definitive budget. It is intended to present the Commission's views as to the requirements for carrying out effective initial programs in the various fields in which the Commission feels the WHO should take action during its first year or must take action to meet its statutory or inherited obligations. It is being presented in a form which lends itself readily to modification in emphasis on specific programs and in organizational structure. It can be reduced or expanded, in whole or in part, and refined to meet the wishes of the Health Assembly. In this way it can serve as a guide to the World Health Assembly, with no attempt being made by the smaller interim group to force an organizational pattern upon the larger group.

Headquarters

The arrangement establishing the Interim Commission charged it with making studies in regard to site of headquarters. The Commission has circularized governments to determine their interest in the matter and to elicit any offers of land or

*The League of Nations Health Organization ceased to exist with the dissolution of the parent body. The United Nations assumed responsibility for certain of its activities. This responsibility was transferred to the Interim Commission of the World Health Organization in the fall of 1946.

A protocol, signed on the same day as the constitution of the World Health Organization, provides for the ultimate dissolution of the International Office of Public Health and the transfer of its assets, duties, and functions to the World Health Organization. By agreement between the Interim Commission and the Permanent Committee of the Office, the Commission is now carrying on the duties assigned to the Office by international conventions. The Office was established by the Rome agreement of 1907, which can be terminated only by the consent of all 45 states which are parties. By becoming a party to the protocol the states have agreed to the termination of the agreement of 1907. They have further agreed that if all the parties to the agreement of 1907 have not agreed to its termination by Nov. 15, 1949, they will then denounce the agreement of 1906. Such denunciation will take effect on Nov. 15, 1950.

facilities that might be forthcoming. It has been indicated that France and Switzerland and perhaps other governments will lay before the World Health Assembly specific offers of land and buildings. In addition, the plan for the United Nations building in New York includes facilities for such specialized agencies as may settle there.

The studies made by the Interim Commission on this matter are not complete or definitive. A special committee composed of the Representatives of India, Egypt, France, Mexico, and Norway was appointed to study this matter and has presented a report calling attention to factors which should be taken into account in arriving at a decision in regard to the site of the headquarters, such as proximity to other related agencies; availability of adequate space, communications, transport, and other facilities; economic and social stability; cultural and scientific environment, et cetera. The report of the Committee, however, does not include a careful evaluation of these factors, but rather leaves the impression that despite such real considerations, the final choice will rest on other less tangible factors. The leading contenders at the present time would appear to be Geneva, London, New York, and Paris.

The position held consistently by the United States Representative, since the preparatory meeting in early 1946, is that the dominant consideration should be the scientific quality of the environment. It is felt that the WHO will attract a staff of high scientific attainment more readily if located in a place at which its staff can maintain close daily contact with outstanding specialists in the various fields of its interest. Isolation from such an environment could well lead to stagnation. Brussels, Copenhagen, London, New York, and Paris, among places that have been considered, would appear to excel as scientific centers.

Regional Arrangements

The arrangement establishing the Interim Commission instructed it to make studies in regard to regionalization of the WHO. Except for negotiations with the Pan American Sanitary Organization⁵ leading toward integration of that organization as the regional organ in the Western Hemisphere, as provided in the constitution of the WHO, little has been done in this field. Replies to an inquiry on the subject have been tabulated and will be presented to the WHO. These include detailed suggestions as to regional structure from the Governments of France, India, the Union of South Africa, and the United Kingdom. Outside of the Western Hemisphere, no general pattern has emerged, with the exception of the Pan Arab

⁵Pan American Sanitary Organization consists of the Pan American Sanitary Bureau and the Pan American Sanitary Conference and its directing council.

Health Bureau which is being looked upon as the possible nucleus of a regional structure in the Middle East area.

Full integration of the Pan American Sanitary Organization must depend on the identity of membership. Negotiations have progressed, but they have not reached a final stage. Of the 21 members of the Pan American Sanitary Organization, only Haiti had become a member of the WHO at the time of the fifth session of the Interim Commission. Negotiations with the competent authorities of the Pan American Sanitary Organization had shown agreement between the Interim Commission and the Pan American Sanitary Organization on the basic points involved in integration.

Pending acquisition of full membership in the WHO by the other American republics, the Interim Commission authorized the Executive Secretary to make a working arrangement with the Director of the Pan American Sanitary Bureau whereby the Bureau will serve as the regional office of the Interim Commission. Such an arrangement between the Director General of the WHO and the Director of the Pan American Sanitary Bureau might also serve as the first step in full integration of the Pan American Sanitary Organization as the regional organization of the WHO.

The Interim Commission will make no recommendations to the World Health Assembly concerning regional organization.

Relations With Organizations

As part of its planning for the World Health Organization, the Interim Commission has taken active steps to develop a pattern of relationships between the WHO and intergovernmental and nongovernmental organizations with common or related interests. It has negotiated several agreements which it will lay before the World Health Assembly for its consideration and approval. For the most part these agreements follow the standard patterns which have been developed between specialized agencies and between these agencies and the United States.

International Governmental Organizations

The Interim Commission has been impressed by the need for, and value of, close cooperation through liaison and joint committees with:

The United Nations—with particular regard to social problems, such as venereal disease, population problems, statistical activities, public relations, and administrative and financial matters;

The Food and Agriculture Organization of the United Nations—with particular regard for nutrition, rural hygiene, and health conditions retarding agricultural production, such as malaria;

The International Labor Organization—with

particular regard to industrial hygiene, housing, and accident prevention;

The International Civil Aviation Organization—with particular regard to the spread of disease through air travel and the physiology of flight; and

The United Nations Educational, Scientific and Cultural Organization—There is a particularly broad community of interest between the WHO and UNESCO. The Interim Commission is at present working closely with UNESCO in the development of the health aspects of the UNESCO field science stations project, the Hylean Amazon basin project, and the fundamental education pilot project in Haiti; in the coordination of medical abstracting and the establishment of a permanent bureau for the coordination of international congresses in medical and related fields. In the course of working together in an intimate fashion, the two agencies are attempting to develop an agreement which will go beyond the standard interagency agreements by including, in general terms, a definition of the boundaries of interest between the two agencies. It is expected that such an agreement will be ready for action by the World Health Assembly.

The Interim Commission has been fully alive to the fact that other specialized agencies have legitimate interests in the field of health. It has recognized that the objectives of the WHO can be obtained with greater speed if such agencies are encouraged to take an active interest in the health problems related to their major interests. The Commission feels that the WHO as "the specialized agency in the field of health", as defined in the WHO constitution and included in the agreement approved by the General Assembly of the United Nations, has a distinct responsibility for providing technical advice and assistance and in performing a coordinating function in the interagency attack upon health problems. It is in this light that it foresees active cooperation and intimate relationships with the numerous agencies and commissions which have been and are being developed within the United Nations structure.

Nongovernmental Organizations

On the national plane, voluntary agencies have been of the highest importance in the advance of public health. More often than not they lead the way in the development of new methods of attack upon disease and in the development of new administrative approaches to health problems. Thus far, on the international plane, the numerous voluntary international organizations which exist in fields related to health have not had the same spark of life or exhibited the same leadership. During the war, the work of these organizations was seriously impeded. Now, however, as a result of the

greatly increased force behind internationalism, particularly the broader thinking of Americans and American agencies, there is a new drive within these organizations, giving promise of their increasing initiative and effectiveness. The Interim Commission has recognized that the WHO would do well to support this development.

The Commission itself has not entered into formal relationship with voluntary organizations, but has developed close working relationships with the International Union Against Tuberculosis, the International Union Against Venereal Disease, the International Congresses on Tropical Medicine and Malaria, the International Congress on Mental Health, the International Congress on Microbiology, and others. As an example of the value of such relationship, one can cite the establishment by the Commission of a world influenza center in London for the world-wide study, through regional and national laboratories, of the viruses causing influenza in local outbreaks. This program is a direct result of consultation with the International Congress on Microbiology and is considered by exports the world over as of the highest importance.

The Commission is recommending to the World Health Assembly a mechanism whereby international voluntary agencies in the health field may, after establishment of their truly representative international character, become related to the WHO and have the privilege of consultative status. It can be hoped that liaison will be established with the more important organizations on a permanent basis and that some of these organizations will establish their headquarters in close association with that of the WHO, so that all major resources for the attack upon world health problems will be closely coordinated and mutually supporting. Meanwhile, as pointed out above, the Interim Commission, jointly with UNESCO, is establishing as a first step a central bureau to assist the voluntary technical organizations in developing and coordinating international congresses in their technical fields.

Absorption of Pre-existing Health Agencies

Certain rather extensive routine operating functions of the Interim Commission have been derived directly from the health organizations of the League of Nations and the International Office of Public Health in Paris, both of which have been or are being absorbed by the Interim Commission on behalf of the WHO. These functions have the solidity of international acceptance over a period of years. They perhaps lack the glamour of novelty but constitute a firm base for the new organization. These functions include the following:

The routine exchange of information between

nations on the occurrence of pestilential disease, such as cholera, plague, smallpox, and typhus;

The administration of the international sanitary conventions;

The delineation of yellow-fever zones and approval of yellow-fever vaccines;

The revision of international sanitary convention procedures;

The development and maintenance of international standard preparations;

The preparation of monographs on drugs in the development of an international pharmacopoeia;

The analysis and presentation of statistical material regarding the occurrence of infectious diseases; and

The publication of bulletins, journals, fasciculi, and international lists covering scientific, legal, and statistical matters important to international control of disease and improvement of health.

International Epidemic Control

The most extensive operation of the Interim Commission in this field is the conduct of the international exchange of epidemiological information with regard to the pestilential diseases. A world center is maintained in Geneva into which flows constantly all information concerning the occurrence of these diseases. The information is sent to Geneva directly by many countries and from others, indirectly, through the Pan American Sanitary Bureau, the Alexandria (Egypt) Epidemiological Bureau, and the Singapore Station of the WHO. The information received is transmitted throughout the world in a weekly epidemiology and vital-statistics report and, more rapidly, to the affected countries through telegram and radio. The Singapore Station maintains regular broadcasts in which it keeps shipping constantly informed of health conditions in the many ports of the Far East.

This service is of vital importance in maintaining the free movement of sea and air traffic without undue risk of transmission of disease. The epidemiological service proved its value most recently in connection with the cholera epidemic in Egypt when it kept the world continuously and reliably informed of the course of the epidemic. It was able at the same time to counter rumors that were serving as a serious impediment to maritime and air traffic.

The experience of the Egyptian cholera epidemic has indicated the need for improvement in the service as taken over from the League of Nations and has led to a decision to use telegraphic and radio means of distributing information more freely during emergencies. Further, as part of its responsibility for the administration of international sanitary conventions, the Interim Commission has instituted an investigation of the excessive quarantine restrictions imposed by nu-

merous countries during the panic period which followed immediately upon the announcement of the invasion of Egypt by cholera. The objective of this investigation is to keep disease control based on a solid scientific foundation and to prevent hysterical reactions which interfere with essential traffic.

The Interim Commission has initiated studies with a view to modernizing international sanitary and quarantine measures. It has recognized that the content and method of international sanitary conventions have become obsolescent with the growth and increased speed of air travel. An expert committee on international epidemic control has been established and charged with re-studying the basic requirements of disease control in the light of modern knowledge of disease and in the face of the realities of air travel. These studies are being made in the expectation that the World Health Organization will discard the cumbersome method of international conventions as a means for control of the spread of disease and substitute sanitary regulations adopted by the World Health Assembly under pertinent provision of the constitution of the WHO. Such regulations will have the full force of conventions, will come into effect on a wide basis more rapidly than is possible in the case of conventions, and can be revised in pace with technical progress. Under the constitution of the WHO, such regulations become binding on member states within a stated period, except for such members as may reserve in regard to them.

Lists of Causes of Death and Morbidity

A highly important project which is being carried forward by the Interim Commission is the decennial revision of the International Lists of Causes of Death and Morbidity. This list serves as the basis for the international comparability of statistics in the health field. At two meetings of an Expert Committee of the Interim Commission, this list has undergone a thorough and fundamental revision which will greatly increase its usefulness throughout the world. Jointly with the French Government, the Interim Commission is calling a special international conference in Paris in April of this year to give final consideration to the list and to win for it acceptance by the experts of all countries. Following that conference, the list will be put into final form and submitted to the World Health Assembly as the basis for international regulations on mortality and morbidity statistics. It is expected that the list will be published by the end of 1948 in time to be used as a basis for accumulating data in the 1950 censuses in many countries.

Field-Services Program

The largest operating program of the Interim Commission has been its field-services program

which
func
trans
zatio
In
to th
imp
peri
worl
of U
pron
ease
mala
utmo
since
and
UNR
and
prev
ende
when
tion
edge
to p
gran
facu
isola
and
your
port
The
WHO
urge
was
work
miss
most
of t
prog
and
from
tour
been
to th
All
cessio
it ha
peri
ship
nati
can
worl
to o
UNE
its v
almo
in th
by t
hand
as w

which has been the continuation of certain health function of UNRRA conducted under funds transferred to the Commission by that organization.

In late 1946, it was apparent to both UNRRA and to the Commission that a sudden cessation of the important health work done by UNRRA would imperil certain countries and constitute a danger to world health. In Greece, for instance, the work of UNRRA in the control of malaria had shown promise of almost complete suppression of this disease if the work could be carried on into the 1947 malaria season. Such suppression was of the utmost importance to Greece in its rehabilitation, since the disease, uncontrolled, affects between 1 and 3 million people annually. In China, the UNRRA plans for rehabilitation of port sanitation and quarantine required activation in order to prevent the spread of cholera and plague from that endemic area to noninfected countries. Everywhere in war-devastated Europe, medical education urgently required the infusion of new knowledge and modern ideas that UNRRA had only begun to provide in the form of fellowships and study grants. Medical schools had been reopened, but faculties were seriously handicapped by years of isolation from the current of medical thought and development. There was a crying need for young doctors throughout Europe and it was important that they be properly trained.

The Commission, as a planning body for the WHO, was not in a financial position to do this urgent work. The Director General of UNRRA was acutely aware of the needs and took the lead in working out an agreement with the Interim Commission which placed it in a position to meet the most urgent demands. Pending the establishment of the WHO, the Commission has carried on the program largely as it was originally conceived and instituted by UNRRA. It has shifted emphasis from mission programs to fellowships and study tours. This was a change in emphasis which had been initiated by UNRRA in adapting its program to the changing needs of the devastated countries.

Although the field-services program has of necessity been limited to UNRRA receiving countries, it has given the Interim Commission valuable experience in the development of working relationships with governments in the strengthening of national health services. Much of the experience can be carried over into the WHO as a basis for its work. It will be necessary, however, for the WHO to orient its field work quite differently from the UNRRA orientation. When UNRRA embarked upon its work, it was faced with acute devastation and almost complete administrative disorganization in the receiving countries. Its program was shaped by these factors. Also UNRRA had large sums at hand, placing it in a position to provide supplies, as well as technical advice and assistance; it would

strike hard at all the urgent problems in the countries in which it was operating. The WHO will have a much larger field in which to operate, all countries being potentially its beneficiary. At the same time, its financial resources will be more restricted. It will therefore be necessary for the WHO to focus its attention upon a limited number of general health problems, giving assistance on a wide geographical basis in regard to these specific problems. As progress is made in the solution of these, emphasis can be shifted to other problems of general importance.

In view of the importance of the field-services program as a basis for future WHO work, it would be well to look briefly at some of the Interim Commission activities in certain of the receiving countries.

The Interim Commission maintains missions, varying in size from 1 to over 30 experts, in Austria, Greece, China, Ethiopia, Poland, Hungary, and Italy. The composition and functions of these missions vary in accordance with the need of each recipient country.

In Greece, the mission has been largely concerned with providing technical advice to the Government in the control of malaria and tuberculosis. This has included the close supervision of widespread use of DDT both by airplane spraying in marsh areas and hand spraying of houses in communities throughout the malarious areas of the country.

In Ethiopia, the mission has been conducting courses for sanitary inspectors and hospital dressers in an attempt to provide foci for the spread of elementary concepts of sanitation and nursing care.

In China, where the largest mission of experts is maintained, the Commission is training both the faculties and students of the schools of medicine, nursing, and public health. It also provides to the Government technical advice concerning the control of cholera, plague, kala azar, tuberculosis, and malaria, as well as advice and assistance aimed at the improvement of port sanitation and quarantine.

In Italy, a small mission is maintained, at the request of that Government, to assist and advise in the wise use of local funds that were accumulated from the internal sale of UNRRA-supplied goods. This mission is working with the Italian Government and the Rockefeller Foundation in an effort to eradicate malaria-carrying mosquitoes on the Island of Sardinia and in other malarious areas of Italy.

In Austria, Hungary, and Poland the missions consist of a single medical officer, serving in a liaison capacity. These officers assist in selecting and making arrangements for professional personnel granted fellowships by the WHO Interim Commission for foreign study. They also assist in arranging for visits of specialists and lecturers

and in providing current medical literature, periodicals, and teaching apparatus made available by the Commission. These officers also give technical advice and assistance on the many problems faced by the health authorities of these countries.

Assistance to Yugoslavia and Finland has been limited to the award of fellowships, and in the Ukraine to the supply of current medical literature.

This brief review indicates the diversity of the activities of the Interim Commission under its field-service program.

Fellowship Program

The aim of the fellowship program has been to foster the spread of medical knowledge to the widest possible extent and particularly to aid in rehabilitating public health and medical education in the countries to which it has been possible to extend aid. Essentially, one third of the field-services funds has been allocated for this program. The WHO Interim Commission staff experts have assisted governments in the selection of fellowship candidates and in arranging study schedules for them. Although the universities and medical schools in nearly all countries receiving fellows are overcrowded, they, as well as hospitals, laboratories, and governmental health administrations, have cooperated consistently in providing training.

The majority of fellows are experienced specialists engaged in teaching at universities or hospitals; their fields of study include practically all the specialized medical techniques. The awards to this group provide for three to six months of study and observation, often at a number of different institutions. A second group is composed of specialists in the technical and administrative public-health services; most of these fellows are on leave from responsible posts in the health administrations of their own countries. Their studies, covering periods of three to six months, include advanced work in universities and observation in public-health agencies and field projects. A limited number of fellowships for a full year of study are awarded to young men and women who are preparing for careers in various branches of public health and nursing. In view of the necessary emphasis placed on the rehabilitation of medical schools during this period of the program, a large number of fellowships have been in basic medical sciences and clinical fields. There have been 175 fellowships awarded in Europe.*

* Fellowships have been distributed in the following fields: public-health administration, 28; cancer, 12; venereal disease, 7; tuberculosis, 6; child health, 12; clinical specialties, 56; mental health, 11; basic medical sciences, 35; public-health nursing, 2; dentistry, 3; and legal medicine, 3.

Fellows have been placed largely in the United States, Canada, England, and Switzerland.

Medical Literature

Assistance in the selection and procurement of medical books and periodicals has been given to eight of the eleven countries which have requested such aid. Members of the WHO Interim Commission staff have taken part in this highly specialized task, which is essential to the restoration of medical education in countries cut off from scientific developments during the war.

The World Health Assembly

As the meeting of the World Health Assembly approaches, one can look back upon the development and international acceptance of a broad WHO constitution, followed by a long interim period during which useful work has been done and valuable experience gained.

The World Health Assembly will have before it recommendations based upon this experience. These recommendations are being submitted to the World Health Assembly by the Interim Commission in the anticipation of lively and fruitful discussions, not as a finished product for rubber stamping by the Assembly. It will be necessary for the Assembly to give careful and detailed study to all elements of the proposed program in order to mature the recommendations and fit them into a sound budget structure, scaled to fit the available funds. The program adopted by the Assembly will cast the die, shaping the WHO for many years to come. Other matters, in addition to the general program which will be before the Assembly requiring exploration, and in most cases decision, are the pattern of relationships between the WHO and other organizations; the regional pattern of the WHO, with particular reference to the integration of the Pan American Sanitary Organization as a regional organization of the WHO; the location of WHO headquarters; and the selection of a Director General.

The World Health Assembly will be composed of the health leaders of the countries constituting the organization. The International Health Conference in New York, which was climaxed by the signing of three important international instruments, and the successful course of the Interim Commission since that time have confirmed the historical fact that, in the field of health, nations can meet together in a spirit of friendship and understanding and arrive at firm decisions which are carried through to an effective conclusion for the betterment of mankind. The first World Health Assembly can be expected to be another example of this historical fact. It will be the first in a series of annual World Health Assemblies, which can be an important focus of the world's hope of peace and life.

THE UNITED NATIONS AND SPECIALIZED AGENCIES

Completion of ITO Charter Hailed as Hope for Troubled World

STATEMENT BY THE DEPARTMENT OF STATE

[Released to the press March 25]

The Department of State announces the signing of the final act of the United Nations Conference on Trade and Employment at Habana, marking the completion of a charter for an International Trade Organization. The representatives of about 60 nations participated in the preparation of the final draft of the charter.

The charter is a momentous achievement and one from which the whole world will benefit. It is the product of more than two years of constant and conscientious labor by experts and representatives of the many nations who worked long and weary hours to reach agreement on a code of international economic activity which would be acceptable to all. First, the United States issued in December 1945 its *Proposals for the Expansion of World Trade and Employment*¹ which suggested the formation of an International Trade Organization. This was expanded by the United States into a *Suggested Charter* in September 1946.² The following month a Preparatory Committee of 18 nations established by the United Nations modified this draft at London; in February 1947 further changes were made at a meeting at Lake Success; and in August 1947 a fourth draft was drawn up at Geneva. Finally, at Habana from November 21, 1947, to March 24, 1948, the present charter was prepared. Through this series of conferences the proposed charter received the fullest possible consideration and the utmost care in its formulation.

The charter will now be submitted to the various countries for acceptance according to the constitutional procedures established by each country. In the United States it will be submitted to the Congress for approval.

The completion of the charter is a clear and unmistakable demonstration of the ability of a major part of the world to work together for the common good. It goes far beyond study and recommendation. It contains numerous and detailed commitments which are mutually beneficial to the members. It is broader in scope and greater in detail than most, if not all, previous agreements between nations on economic relations.

Many of the changes and modifications made in subsequent drafts of the charter were suggested

by interested groups in this country. The charter includes provisions recommended by the Finance Committee of the United States Senate, by business, labor, farm, and other organizations. As a result the charter is a live and meaningful document concerned with practical rules for encouraging the flow of international trade.

The main objective of the charter is the raising of living standards throughout the world. It proposes to do this by promoting the expansion of international trade on a basis of multilateralism and general nondiscrimination, by fostering the growth of production and employment, and by encouraging the economic development of backward areas. Its substantive chapters set forth a series of international commitments with respect to national policies regarding tariffs, customs administration, hidden restrictions on trade, import and export quotas, exchange controls, preferences and other forms of discrimination, state trading, subsidies, restrictive business practices in international trade, intergovernmental commodity agreements, the international aspects of domestic employment policies, economic development, and international investments. Other chapters outline the structure, functions, and procedures of the International Trade Organization.

The chapter on employment and economic activity emphasizes the fact that employment, production, and demand for goods and services are not only of domestic concern but are necessary for the well-being of all countries. Members agree to take action designed to achieve and maintain full and productive employment through measures appropriate to their political, economic, and social institutions.

The chapter dealing with economic development and reconstruction was, as it had been in the previous conferences on the charter, one of the most hotly debated sections at the Habana conference. Under the provisions of this chapter, members agree to cooperate with other countries through the medium of international agencies for the purpose of promoting general economic development as well as the reconstruction of those countries whose economies have been devastated by the

¹ Department of State publication 2411.

² Department of State publication 2598.

THE UNITED NATIONS AND SPECIALIZED AGENCIES

war. The chapter specifies the principles which shall apply to the promotion of economic development and reconstruction and the treatment of international investment. It indicates the conditions and specifies the procedures under which particular measures, otherwise inconsistent with the commercial-policy provisions of the charter and with trade agreements made pursuant thereto, may be used to promote economic development and reconstruction. Similarly, the chapter delineates the particular conditions and procedures under which preferential agreements for economic development and reconstruction may be employed.

Almost a third of the charter is devoted to provisions on commercial policy. Under the provisions of the chapter dealing with this subject, members agree to extend to each other general most-favored-nation treatment and to undertake negotiations directed toward the reduction of tariffs and the elimination of preferences on a reciprocal and mutually advantageous basis. In general, the charter also prohibits the imposition of discriminatory internal taxes and regulations on foreign products. In view of the peculiar features of moving pictures as a commodity in international trade, special provisions were included to deal with cinematographic films.

Since quantitative restrictions on imports and exports can have an even more limiting effect than tariffs, taxes, or other similar charges, it was agreed that basically such quantitative restrictions would not be allowed. It was recognized, however, that under certain conditions and with regard to certain commodities it might be advisable to allow exceptions. The permitted exceptions are carefully enumerated and circumscribed, with safeguards to prevent their possible abuse. These exceptions include the use of import quotas on agricultural and fisheries products if they are necessary in connection with governmental programs restricting domestic marketing or production. Import quotas are also permitted for the purpose of safeguarding a member's balance of payments.

Safeguards are also included to insure that the interests of other members are not unreasonably prejudiced by the indiscriminate use of subsidies. A modification of considerable interest to the United States was made in the provisions dealing with export subsidies. Such subsidies may now be used without the prior approval of the organization, as had been previously required under the Geneva draft over the objection of the United States. They, however, must not be employed by a member to acquire more than its equitable share of world trade in the particular commodity.

Since state trading has become of growing importance in recent years, the charter has included a section dealing with this aspect of commerce. This section provides that countries carrying on trade through state enterprises should conduct

their commerce in accordance with the general principles of nondiscriminatory treatment which are applicable under the charter to private trade. In particular, state-trading enterprises are required to make their purchases and sales solely in accordance with commercial considerations and to give the enterprises of other member countries adequate opportunity to compete for such purchases or sales.

The charter also contains general commercial provisions dealing with freedom of transit, anti-dumping and countervailing duties, customs valuation, documents and other formalities in connection with importation and exportation, marks of origin, and the publication and administration of trade regulations. These provisions are designed to reduce or eliminate the many burdensome restrictions imposed on trade through administrative devices, including the so-called "invisible tariffs", which often prove to be more of an impediment to trade than the usual form of tariffs.

A final section of the chapter on commercial policy contains a number of special provisions. Of particular importance are the provisions which permit a member to withdraw tariff concessions in the event that they should lead to such relatively increased imports as to cause or threaten serious injury to domestic producers. This is the so-called "escape clause" which the United States has included in previous trade agreements, notably the general agreement on tariffs and trade recently concluded at Geneva, to insure that domestic interests are adequately safeguarded. Also of interest in this section are provisions permitting the formation of customs unions and similar arrangements. Finally, the section lists a number of general exceptions to the obligations of the charter so as to permit measures for the protection of public morals, health, safety, and the like and to meet certain temporary exigencies arising as a result of the war, such as measures for the acquisition or distribution of commodities in short supply.

Closely related to the commercial-policy provisions of the charter is the chapter on restrictive business practices. This chapter requires that members shall take appropriate measures to prevent business practices, whether on the part of private or public enterprises, which restrain competition and foster monopolistic control whenever such practices have harmful effects on the expansion of production or trade. The charter sets up various consultative and investigative procedures to implement this obligation for the prevention of restrictive business practices.

The charter recognizes that primary products, such as agricultural commodities and minerals, are sometimes subject to special difficulties which necessitate special treatment of the international trade in such commodities through intergovernmental agreements. The charter therefore defines

the general principles which are to govern intergovernmental commodity agreements, the circumstances under which they are to be used, and the procedures for developing and administering them. These provisions seek to safeguard the interests both of producer and consumer countries and to afford an effective solution to the particular commodity problem involved.

The remaining articles of the charter deal with the structure and functions of the International Trade Organization, procedures for the settlement of differences, and a number of general matters, including relations with nonmembers, general exceptions for national security reasons, methods of amending the charter, procedure for withdrawal of a member from the Organization and for termination of the charter, and requirements to be met for entry of the charter into force. The principal organs of the Organization will consist of a Conference, an Executive Board, and a Secretariat, including a Director-General and his staff. Differences may be settled by consultation or arbitration between the members, or by reference to the Executive Board or Conference, or to the International

Court of Justice under certain circumstances. The charter prohibits a member from entering into a preferential arrangement with a nonmember which prevents the latter from according to other members any benefit of such an arrangement. In general, members are prohibited from according to nonmembers treatment which, being more favorable than that accorded to other members, would injure the economic interests of the latter. Members are free under the charter to discriminate against nonmembers if they so wish.

The charter is to enter into force when a majority of the countries which signed the final act of the Habana conference have approved the document. However, if a majority fail to approve at the end of one year after the signature of the final act, then the charter may come into force whenever 20 countries approve the charter. If the charter has failed to come into force by September 30, 1949, those countries which have approved the charter may consult among themselves as to whether and on what terms to bring the charter into force.

STATEMENT BY THE PRESIDENT

[Released to the press by the White House March 24]

I am deeply gratified that representatives of more than 50 nations are signing today in Habana the charter for the International Trade Organization. This charter will now be sent to the government of each nation for ratification.

The charter for the International Trade Organization is a code of fair dealing in international trade. Member nations agree to work out mutually beneficial employment policies and ways of promoting economic development. The charter provides for limitations upon cartels and defines the proper scope of intergovernmental commodity agreements. It establishes standards for the conduct of international trade. The charter thus deals comprehensively with economic problems which heretofore have been dealt with piecemeal, if at all, in international agreements.

The charter has immediate significance to the

efforts of the nations now working to repair the devastation and dislocation caused by World War II. Acceptance of the charter, in the spirit in which it has been framed, will stimulate the expansion of international trade upon which world prosperity depends. By supporting the growth of a prosperous international trade, this code of fair dealing will contribute greatly to our efforts for a just and lasting peace.

The development of this charter is an example of the finest type of international cooperation. The action in Habana today marks the conclusion of one of the most difficult and important tasks ever undertaken at international conferences.

This achievement demonstrates that many countries can work together through the United Nations to reach sound agreement on complex international issues.

STATEMENT BY GEORGE C. MARSHALL

Secretary of State

[Released to the press March 25]

It is gratifying that the United Nations Conference on Trade and Employment has succeeded in producing a charter for an International Trade Organization.

Completion of the charter follows two years and more of intensive effort, including four meetings held under the auspices of the United Nations, to formulate a generally acceptable code of fair prac-

tice in matters affecting international commerce. Representatives of more than fifty nations have now produced a document which, when approved by the governments concerned, will bring into being an organization dedicated to these purposes.

In the development of the charter, widely divergent interests and points of view had to be reconciled. The present economic difficulties and special situations of many of the countries represented at

THE UNITED NATIONS AND SPECIALIZED AGENCIES

Habana added to the difficulty of this task. The fact that agreement was finally made possible in these circumstances demonstrates that the most difficult common problems are susceptible of cooperative solution where there exists a common determination to succeed.

The course and outcome of the Habana conference also demonstrate the great immediate importance attached to both the ends and the means set forth in detail in the charter. Participating governments sent some of their leading men to the meetings and were intensely concerned, to the end of the negotiations, with the exact final terms of agreement. Chaotic economic conditions at present brought home the vital need for a statement of long-range objectives and for agreement upon the fair trade policies to be used in seeking these objectives. The charter for the Ito is an answer to both needs.

The charter represents agreement on basic economic policies never before treated in a single general international agreement. It recognizes the degree to which national action over a wide area

affects the economic well-being of other nations. Employment, economic development, international trade policy, intergovernmental commodity agreements, and cartel activity are dealt with, in each case with a view to assuring that national and international action in these fields will be directed toward a general raising of living standards throughout the world. The charter not only spells out in considerable detail principles to govern world trade but establishes procedures for making them effective. It provides for the establishment of the International Trade Organization to be the agency responsible for the administration of the provisions of the charter. The Organization will furnish a forum for discussion and consultation regarding solution of international problems of trade and employment.

The acceptance of the charter will affirm the common economic goals of world recovery, point the way toward those goals, and thus contribute to progressive expansion of world production and consumption through a growing and mutually profitable trade among all members on a fair basis.

STATEMENT BY WILLIAM L. CLAYTON¹

Chairman, U. S. Delegation

This is a day for history. There have been other conferences on international economic affairs. But none of them has undertaken a task so difficult as the one that is completed here today. None of them has come to an agreement concerning so many vital economic interests of so many states. None of them has produced a document so comprehensive as the Habana charter for world trade. Few, if any of them, have attained so notable a measure of success.

This is a momentous day for the United Nations. It marks the culmination of an enterprise that had its beginnings in the declarations of policy that were made in the Atlantic Charter in 1941 and in article VII of the mutual aid agreements in 1942. It marks the completion of three years of careful planning and almost two years of continuous negotiations. It marks the embodiment in a charter, produced by more than 50 nations, of the principles contained in the *Proposals* that were published by the United States in 1945.² It marks the

end of four months of hard work here in Habana. And, as we look upon the result of these labors, we find that the time and the effort of all the many countries who have contributed to the charter of Habana have been well spent.

The charter is complicated and difficult. It is long and detailed and technical. But behind its many chapters and its scores of articles there lies a simple truth. The world will be a better place to live in if nations, instead of taking unilateral action without regard to the interests of others, will adopt and follow common principles and enter into consultation through an international organization when interests come into conflict. And this, throughout the entire range of trade relationships, is what the signatories of the charter agree to do. Each will surrender some part of its freedom to take action that might prove harmful to others, and thus each will gain the assurance that others will not take action harmful to it. This may well prove to be the greatest step in history toward order and justice in economic relations among the members of the world community and toward a great expansion in the production, distribution, and consumption of goods in the world.

¹ Made on Mar. 23, 1948, at final plenary session of U.N. Conference on Trade and Employment and released to the press on the same date.

² *Proposals for Expansion of World Trade and Employment* (Department of State publication 2411).

The International Trade Organization will deal with questions that nations have always held to be of the greatest importance. It will seek solutions for problems that have all too often been a source of irritation and ill-will. It will serve as a center where the peoples of the world, with their diversity of economic interests, can meet on common ground. The Ito will substantially complete the structure of international economic cooperation. It will provide a necessary supplement to the work of the International Bank for Reconstruction and Development, the International Monetary Fund, the Food and Agriculture Organization, and other specialized agencies. It will add strength to the United Nations itself.

It is difficult to realize that the charter designed to bring this Organization into being is now completed. For we have been told, again and again, throughout these years, that it could not be done. The program was too ambitious. It would involve too many commitments. Circumstances and systems were too diverse. Fair dealing, in

international trade, was old-fashioned and impractical. The disorganization caused by the war was too great. The problems of reconstruction were too pressing. Nations were too much preoccupied with immediate difficulties. They would not look to the future. The future, in any case, was too uncertain. It could not be done.

It has been done!

The charter is now ready for submission to the legislatures of the participating nations for approval.

This conference has afforded the world an impressive demonstration of the ability of nations to work out a comprehensive agreement on matters of vital importance under conditions of great difficulty. Interests have differed at Habana, but efforts to understand, to explain, and to agree have never failed. We have all gained in knowledge and understanding. We have achieved, through these years of working together, a voluntary agreement for our mutual benefit. In this achievement, a troubled world may well take hope.

STATEMENT BY AMBASSADOR WARREN R. AUSTIN¹

U.S. Representative at the Seat of the United Nations

I welcome the signing of the charter of the International Trade Organization as I would welcome the signing of a treaty of peace. The Ito is, in fact, in the nature of a treaty of economic peace, ending more than two decades in which protection and reprisal were far more common than cooperation. The full significance of the step cannot be appreciated without recalling the tariff rivalry of the 1920's, the restrictive nationalism of the depression years, the distortions caused by Nazi and Fascist trade aggression, and the tight controls imposed on almost all economies during the last great war. It was a trend relieved only by this country's sustained effort toward tariff reduction under the reciprocal trade-agreements program.

Thus the Ito is a turning point. It is the international organ, in the United Nations pattern, through which the world will work cooperatively to cut away the accumulated snarls which have entangled peacetime international trade.

The importance of this event in forwarding the interests of political peace is self-evident. As the Ito functions effectively, nations will be able to exploit more fully their natural economic advantages of geography, resources, and skills and to develop industrially. Workers and consumers will reap the benefits in increased employment and

higher standards of living. The Ito influence on the flow of international trade can be expected to aid also in achieving international monetary stability. In short, commercial frictions are diminished, and energies can increasingly be devoted to peaceful pursuits.

Hand in hand with the Ito goes the reciprocal trade-agreements program, now up for renewal in Congress. The Ito charter pledges member states to negotiate for the reduction of tariffs and the elimination of trade preferences in much the same way that the United States, almost alone, has pursued reductions over the last 14 years. Consequently, the Reciprocal Trade Agreements Act is the essential vehicle for carrying out Ito objectives and achieving our own aims under the Ito charter.

Moreover, extension of the act by Congress would be evidence of the good will of the United States toward world trade expansion. It would offer to the trade of other countries the prospect of entering the American market, but only in return for concessions providing wider markets for American goods. It would stimulate the expansion of commerce, increase production, and stabilize employment.

¹ Made on Mar. 24, 1948, and released to the press by the U.S. Mission to the U.N. on the same date.

U.S. Position in the United Nations Regarding Chilean Complaint

STATEMENT BY AMBASSADOR WARREN R. AUSTIN¹

U.S. Representative in the Security Council

MR. PRESIDENT: My speech will not be long. The Council has before it charges against the Soviet Union and against the present rulers of Czechoslovakia. In the main, they allege interference by the Soviet Union in various ways in the affairs of Czechoslovakia, including the threat of force and the support which the Soviet Union has rendered to the Communist minority in its disruption of the Government of Czechoslovakia.

My Government views these charges with concern. It feels that the Security Council has an obligation to consider these charges with care. The Council has heard the Representative of Chile and Dr. Papanek. Many points have been made on which we should have clarification. We have yet to hear anything which amounts to an answer to any of the charges. The Ukraine's Representative yesterday did not answer. The distinguished Representative of the Soviet Union today has not answered. The Ukrainian Representative devoted all of his discourse to an attempt to draw a red herring across the whole situation by making a mass of unsubstantiated and fanciful allegations about the conduct of others, some of which were directed toward my Government. This could not help to determine the question now before the Security Council. Today the distinguished Representative of the Soviet Union interprets the conduct of the United States as crude interference in the internal affairs of other countries and other states, as blackmail and bribery; even charges of incitement to treason against Czechoslovakia by the United States.

Well now, Mr. President, if that were so—if it were correct—if we, the United States, were willing to recognize a semblance of truth in these charges, I affirm that it could not convince the unfortunate and unhappy people of Czechoslovakia that the charges against the rulers of the Soviet Union are spurious. The poor people of Czechoslovakia are redeemed from bondage by being told that other peoples have suffered from indirect aggression. However, such fantastic stories about the United States have been told throughout my attendance upon the General As-

semblies and Security Council meetings of the United Nations. And it has always been obvious to all the world why such statements were made and that they are propaganda of the arbitrary rulers of the Russian people. They have not changed any since the first time they were uttered. They are just the same as ever and they are unworthy of a detailed answer.

The main point that interests us as a responsible body of this great international institution is to apply the test to such conduct that it deserves and ask the question: wherein do you find any answer whatever to the charges that are revealed here, that the Soviet Union has reduced the good people of Czechoslovakia to slavery; that their great system of democracy has been turned topsy-turvy; and that their economic structure has been so disrupted already that freedom of acquiring and holding property is now destroyed?

Probably the Representative of the Ukraine has not been in so favorable a position as the doormen and the cowboys of the United States of America. I am certain that the distinguished Representative of Russia does not have the opportunity that the very well-informed taxi driver in the city of Washington or in the city of New York has to have knowledge about the external affairs of the United States. But his comment, which was intended to be witty, operates as a great compliment to the democratic system of the United States, in which taxi drivers and doormen and cowboys can know and have something to say about the external affairs of their beloved country.

Now, there is one witness—that is, he might be a witness—of the actual facts in Czechoslovakia. He represents the present rulers of the inhabitants of Czechoslovakia, and I do not see him sitting here at this "horseshoe".

I assume the Czechoslovakian Representative will say that we are dealing with a domestic matter, but how does he explain the coincidence of the arrival in Prague of Deputy Soviet Foreign Minister Zorin immediately preceding the crisis? Members of the Council will realize that it was not in character for a Deputy Foreign Minister of the Soviet Union to travel to other countries on business such as distribution of wheat. On the contrary, it is customary for representatives of satel-

¹ Made before the Security Council on Mar. 23, 1948, and released to the press by the U.S. Mission to the United Nations on the same date.

lite states to be summoned peremptorily to Moscow. Also, members of the Council will recall a similar arrival of another Deputy Foreign Minister of the Soviet Union, Mr. Vyshinsky, in Bucharest at the time developments occurred in Rumania not at all unlike those which we are now discussing in Czechoslovakia.

The Council, therefore, is fully justified in inquiring into what Mr. Zorin may have done in Prague in addition to or rather than discussing wheat. We should know if he held, as charged, discussions with Prime Minister Gottwald and other leaders of the Communist Party and if, in these discussions, he in effect directed developments. Is the Representative of Czechoslovakia in a position to deny that Mr. Zorin encouraged the Communists and promised them assistance? It would also be interesting to know whether, as alleged, Mr. Zorin was refused an audience by the President of Czechoslovakia and, if so, what the reason for this refusal may have been.

The visit is in sharp contrast to the procedure at the time the Czechoslovakian Government was forced to reverse itself in the matter of participating in the European Recovery Program conference in Paris. This talk about the desire for economic independence does not fit the facts as the Security Council knows them. At that time the Prime Minister and Foreign Minister of Czechoslovakia were summoned to Moscow. In the light of that occurrence and the humiliating reversal of position which the Czechoslovakian Government was forced to announce, can the Czechoslovakian Representative assert that his country has been free from external pressure? Can he assert, as the Representative of the Soviet Union asserted today, that their failure to cooperate in the European Recovery Plan was of their own volition, when that great democratic Government that preceded these rulers chose to enter into the arrangement with the other representative countries and then were forced to reverse their course? Also we have heard the statement that the Czechoslovakian Government has been forced to relinquish all control over the uranium mines in Czechoslovakia, and we have heard the statement that no Czech is allowed to have anything to do with the operation of these mines. If this is true, the Council is entitled to hear the Czechoslovakian Representative attempt to reconcile this situation with the position that there has been no foreign pressure on Czechoslovakia.

There is also a reference made in one of the statements to the fact that the Minister of Trade made a public statement to the effect that the Communists owed the victory of their *coup d'état* primarily to the Soviet Union and that the press statement reproducing this public statement was later corrected to leave this passage out. It would be most interesting if the Czechoslovakian Government would inform the Security Council whether

the Minister of Trade made that statement on behalf of the present rulers of Czechoslovakia. If so, to what aid from the Soviet Union was the Minister referring? It might also enlighten the Council to be informed as to the reasons for withdrawing the original press statement.

We have a series of charges relating to the claim that the Communist minority has by a *coup d'état* taken control of the machinery of the state. On the other hand, we have the contrary claim that all that has happened has been in accordance with the will of the Czechoslovakian people and is therefore an internal matter with which we cannot deal.

In this connection, the Representative of the new Czechoslovakian Government released a statement to the press yesterday giving the position of his Government with regard to the issues before the Security Council. This statement raised certain additional questions to which the Council would, I imagine, be glad to have the answers. The allegation was made that the developments which took place in Czechoslovakia in February resulted from the *deviation of certain political parties* from the ideas for which the best Czechoslovakian patriots fought during the terrible years of German occupation and from the abandonment of the principles on which the Czechoslovakians based the building of their liberated country. Is it the position of the new Czechoslovakian Government that the Communist Party alone of all the political parties which made up the National Front before February is true to the ideals of democracy and freedom which had been the mainstay of the Czechoslovak people for hundreds of years? If this is the case it might be interesting to hear the Czechoslovakian Government's explanation of the necessity for the sudden change from the policy of traditional Czechoslovakian democracy to the policy of a police state.

The allegation was also made to the press that the Czechoslovakian crisis was settled according to constitutional principles and parliamentary practice. Is it consistent with the Constitution of Czechoslovakia for the present rulers to deprive regularly elected members of Parliament of their parliamentary immunity and to remove them from office, or to dismiss judges and other high officials of the Government who disagree with them?

We would be glad to have information concerning the charges which have been made before us. Do the inhabitants of Czechoslovakia welcome the domination of Russian-trained officials? Is every influential citizen of Czechoslovakia regarded as a traitor or as "a person who betrayed his country", solely because he deviates from the ideas of the present officials ruling the inhabitants?

It is charged that President Benes has been prevented from speaking to the people of Czechoslovakia and that three separate speeches prepared by him were censored by the present rulers of the peo-

THE UNITED NATIONS AND SPECIALIZED AGENCIES

ple. It would be useful to know whether this statement is accurate and, if so, the reasons for the decision of the Government to refuse the President facilities for making these speeches publicly. If these allegations are not true, it would be helpful if some explanation could be given to the Security Council as to why the President has not made a statement to his people at this time of crisis.

Czechoslovakia was a nation which understood democracy and a country in which democratic principles and procedures prevailed. If, as the Czechoslovakian Representative has asserted to the press, the recent developments were spontaneous internal developments, how can he reconcile that assertion with actions which were taken by the Communist minority, such as breaking up meetings of other established parties, the arrest of opposition political leaders, the expulsion from universities of well-known professors, the imposition of a complete censorship on the press and radio of the country? Why have editors of leading Czechoslovakian papers disappeared; why have leaders in all walks of Czechoslovakian life fled; why have a number of Czechoslovakian diplomatic representatives abroad resigned; why did the Foreign Minister of Czechoslovakia commit suicide; and, I repeat, why has the President of Czechoslovakia remained silent?

Too much has happened which is not in character with the Czechoslovakian people and Czechoslovakian tradition. Too much has happened which bears a striking similarity to what happened in other countries for the Security Council to be satisfied with perfunctory or categorical denials or with further red herrings. The Council deserves and should receive from the Czechoslovakian Representative the fullest explanation with respect to the points which I have raised. We should also hear what the Representative of the Soviet Union has to say as to these points.

The Security Council should realize that grave charges have been made, charges to which it cannot close its eyes. The Security Council should, therefore, consider these charges in all of their aspects. All sides of the case should be heard.

No member should draw conclusions prematurely or lightly. Certainly my Government does not intend to do so. The Council should realize, furthermore, that if these charges should be established they would constitute a case of indirect aggression. The United Nations would then be called upon to develop effective collective measures designed for the preservation of the territorial integrity and political independence of states, however small.

Whether the charges are traversed or admitted, my Government's position is to support continued consideration by the Security Council aimed at saving other peoples from indirect aggression.

Resolution on Yugoslav Gold Reserves in U.S.¹

The Economic and Social Council

HAVING EXAMINED the question as to whether it should consider the substance of the matter raised by the Federal People's Republic of Yugoslavia regarding its gold reserves in the United States of America;

CONSIDERING that it could not examine the substance of this matter without thus being led into the consideration of the different aspects of the particular dispute existing between the United States of America and the Federal People's Republic of Yugoslavia;

CONSIDERING that it has no competence to take cognizance of such aspects because of the juridical issues involved;

Decides that this matter does not fall within the competence of the Council; and

Expresses its hope that the United States of America and the Federal People's Republic of Yugoslavia will settle their dispute as soon as possible.

Current United Nations Documents: A Selected Bibliography²

Economic and Social Council

Terms of Reference for the Economic Commission for Latin America. E/712, Feb. 27, 1948. 4 pp. mimeo.

Memorandum Concerning the Shortage of Newsprint E/727, Mar. 3, 1948. 27 pp. mimeo.

Terms of Reference for the Economic Commission for Latin America. Note by the President . . . E/735, Mar. 4, 1948. 3 pp. mimeo.

The Question of the Prevention of Crime and the Treatment of Offenders on a Wide International Basis. Note by the Secretary-General. E/736, Mar. 4, 1948. 7 pp. mimeo.

Status of Women. Resolutions of 3 March 1948. E/737, Mar. 4, 1948. 2 pp. mimeo.

Freedom of Information and of the Press. E/738, Mar. 4, 1948. 2 pp. mimeo.

Human Rights. Resolutions of 1 and 2 March 1948. E/749, Mar. 6, 1948. 3 pp. mimeo.

Narcotic Drugs. Resolutions of 2 March 1948. E/750, Mar. 5, 1948. 4 pp. mimeo.

Establishment of an *Ad Hoc* Committee To Study Factors Bearing Upon Establishment of an Economic Commission for the Middle East. Resolution of 8 March 1948. E/753, Mar. 8, 1948. 2 pp. mimeo.

¹ U.N. doc. E/764, adopted on Mar. 9, 1948.

² Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York City. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of Meetings¹

In Session as of April 4, 1948

		1946
Far Eastern Commission	Washington	Feb. 26-
United Nations:		
Security Council	Lake Success	Mar. 25-
Military Staff Committee	Lake Success	Mar. 25-
Atomic Energy Commission	Lake Success	June 14-
Commission on Conventional Armaments	Lake Success	1947
Security Council's Committee of Good Offices on the Indonesian Question.	Lake Success	Mar. 24-
General Assembly Special Committee on the Greek Question	Salonika	Oct. 20-
		Nov. 21-
Commission for Palestine	Lake Success	1948
Temporary Commission on Korea	Seoul	Jan. 9-
Interim Committee of the General Assembly	Lake Success	Jan. 12-
Ecosoc (Economic and Social Council):		Feb. 23-
Subcommission on Employment and Economic Stability	Lake Success	Mar. 22-
World Conference on Freedom of Information	Geneva	Mar. 23-
CFM (Council of Foreign Ministers):		1947
Commission of Investigation to Former Italian Colonies	Former Italian Colonies	Nov. 8-
Deputies for Italian Colonial Problems	London	1948
Deputies for Austria	London	Jan. 29-
FAO (Food and Agriculture Organization): Mission to Siam	Siam	Feb. 20-
Provisional Frequency Board	Geneva	Jan. 3-
First Meeting of Planning Committee on High Frequency Broadcasting	Geneva	Jan. 15-
Sixth Pan American Railway Congress	Habana	Mar. 22-
Ninth International Conference of American States	Bogotá	Mar. 27-
Icao (International Civil Aviation Organization): Personnel Licensing Division.	Montreal	Mar. 30-
Division.		Mar. 30-
Icac (International Cotton Advisory Committee): Seventh Meeting	Cairo	Apr. 1-
Meeting of Technicians in Connection With Final Protocol of Tonnage Measurement of Ships.	Oslo	Apr. 2-
Fifth International Leprosy Congress	Habana	Apr. 3-11
Lyon International Fair	Lyon	Apr. 3-12

¹ Prepared in the Division of International Conferences, Department of State.

Activities and Developments»

DEPUTY CHAIRMAN OF POLICY GROUP ON BOGOTÁ CONFERENCE DESIGNATED

Paul C. Daniels, Director for American Republic Affairs, has been designated Deputy Chairman of the Policy Group on the Bogotá conference, effective March 5, 1948.

April 4, 1948

U.S. OBSERVERS TO SIXTH PAN AMERICAN RAILWAY CONGRESS

The Secretary of State has announced the composition of the United States observer group to the Sixth Pan American Railway Congress scheduled to convene at Habana, March 27, 1948. United States representation will consist of William T. Faricy, president, Association of American Railroads; Julian Duncan, Bureau of Statistics, Interstate Commerce Commission; and Seymour T. R. Abt, Transport and Communications Branch, Office of International Trade, Department of Commerce.

ACTIVITIES AND DEVELOPMENTS

U.S. DELEGATION TO FIRST SESSION OF CHEMICAL INDUSTRIES COMMITTEE

[Released to the press March 26]

The Department of State has announced the composition of the United States Delegation to the First Session of the Chemical Industries Committee as recommended to the Secretary of State by the Secretary of Labor. This meeting which was called by the International Labor Office is scheduled to convene at Paris on April 6 and is expected to last 10 days. The Delegation is tripartite, composed of representatives of the Government, employers, and workers of the United States, as follows:

GOVERNMENT DELEGATES

Arthur J. White, Wage and Hour and Public Contracts Division, Department of Labor
Thomas W. Delahanty, Associate Chief, Chemical and Health Products Branch, Office of International Trade, Department of Commerce

Advisors

W. Duane Evans, Chief, Productivity and Technical Developments Division, Bureau of Labor Statistics, Department of Labor
Richard Eldridge, Labor Attaché, American Embassy, Paris

EMPLOYERS' DELEGATES

E. W. Dwyer, Head, Industrial Relations Section, Monsanto Chemical Company, St. Louis, Mo.
Howard R. Huston, Assistant to the President, American Cyanamid Company, New York City

WORKERS' DELEGATES

John J. Mates, International Board Member, United Mine Workers of America, Washington, D.C.
H. A. Bradley, President, International Chemical Workers Union, Akron, Ohio

The meeting has been called to consider the problems of the chemical industries in the light of recent events and changes and of conditions of labor and the organization of industrial relations in those industries.

U.S. DELEGATION TO FIFTH INTERNATIONAL LEPROSY CONGRESS

[Released to the press March 25]

The Department of State has announced the following United States Delegation to the Fifth International Leprosy Congress which is scheduled to be held at Habana, April 3-11, 1948:

Chairman

Perry Burgess, President, American Leprosy Foundation, New York City

Delegates

Frederick A. Johansen, Medical Director, U.S. Public Health Service; Director, U.S. Marine Hospital, Carville, La.; Member, Advisory Medical Board, American Leprosy Foundation
Eugene R. Kellersberger, General Secretary, American Mission to Lepers, Inc., New York City

Norman R. Sloan, Medical Director, Kalsupapa Leper Settlement, Territory of Hawaii
Malcolm H. Soule, Chairman, Advisory Medical Board, Leonard Wood Memorial; Professor of Bacteriology, U. of Mich., Ann Arbor

The Fifth International Leprosy Congress is sponsored and organized by the Government of the Republic of Cuba in collaboration with the International Leprosy Association. The scientific work of the Congress will be divided among five committees as follows: therapeutics, classification, epidemiology, research, and social assistance. Among the principal subjects to be considered by the Congress will be (1) determination, up to the present time, of the real value of the new drugs of the sulphona type in connection with the treatment of leprosy, and (2) approval or modification of the new South American classification of the various forms of leprosy.

Leprosy congresses have been held periodically during the past 50 years. The first congress was held at Berlin in 1897, and the fourth met at Cairo in 1938.

REGIONAL CONSULAR CONFERENCES AT MEXICO CITY AND CAPE TOWN

[Released to the press March 22]

The importance of keeping the United States Foreign Service in constant alignment with changing demands and performance criteria of American business and industry so that the Service will always be in a position to protect and promote American overseas trade, will be stressed at two regional consular conferences to be held at Mexico City and Capetown, both from April 5-8 inclusive.

Ambassador Walter Thurston will formally open the Mexico City conference, which will be attended by diplomatic and consular officers from 20 posts in Mexico, and Gen. Thomas Holcomb, Minister, will launch the Capetown sessions to which officers from six South African and Portuguese East African posts will be sent. Donald W. Smith, Deputy Director of the Office of the Foreign Service, will head the small Washington Delegation to the Mexico City meeting.

Among the topics to be discussed at the daily sessions are economic, commercial, industrial and agricultural problems and reporting; trade promotion; commercial reference and research; commercial intelligence; industrial progress; fishery matters; visas and immigration; the U. S. information and cultural programs; veterans' affairs; security measures; and general administrative problems.

In general, Foreign Service officers will be the principal speakers, but the Mexico City Delegates will also be addressed by several Department of State officials whose duties in Washington keep them in constant communication with American representatives in Mexico.

U.S. Position in the United Nations Regarding Palestine

STATEMENT BY THE PRESIDENT¹

It is vital that the American people have a clear understanding of the position of the United States in the United Nations regarding Palestine.

This country vigorously supported the plan for partition with economic union recommended by the United Nations Special Committee on Palestine and by the General Assembly. We have explored every possibility consistent with the basic principles of the Charter for giving effect to that solution. Unfortunately, it has become clear that the partition plan cannot be carried out at this time by peaceful means. We could not undertake to impose this solution on the people of Palestine by the use of American troops, both on Charter grounds and as a matter of national policy.

The United Kingdom has announced its firm intention to abandon its mandate in Palestine on May 15. Unless emergency action is taken, there will be no public authority in Palestine on that date capable of preserving law and order. Violence and bloodshed will descend upon the Holy Land. Large-scale fighting among the people of that country will be the inevitable result. Such fighting would infect the entire Middle East and could lead to consequences of the gravest sort involving the peace of this Nation and of the world.

These dangers are imminent. Responsible governments in the United Nations cannot face this prospect without acting promptly to prevent it. The United States has proposed to the Security Council a temporary United Nations trusteeship

for Palestine to provide a government to keep the peace. Such trusteeship was proposed only after we had exhausted every effort to find a way to carry out partition by peaceful means. Trusteeship is not proposed as a substitute for the partition plan but as an effort to fill the vacuum soon to be created by the termination of the mandate on May 15. The trusteeship does not prejudice the character of the final political settlement. It would establish the conditions of order which are essential to a peaceful solution.

If we are to avert tragedy in Palestine, an immediate truce must be reached between the Arabs and Jews of that country. I am instructing Ambassador Austin to urge upon the Security Council in the strongest terms that representatives of the Arabs and Jews be called at once to the council table to arrange such a truce.

The United States is prepared to lend every appropriate assistance to the United Nations in preventing bloodshed and in reaching a peaceful settlement. If the United Nations agrees to a temporary trusteeship, we must take our share of the necessary responsibility. Our regard for the United Nations, for the peace of the world, and for our own self-interest does not permit us to do less.

With such a truce and such a trusteeship, a peaceful settlement is yet possible; without them, open warfare is just over the horizon. American policy in this emergency period is based squarely upon the recognition of this inescapable fact.

Report on Fifth Meeting of Preparatory Commission for IRO

ARTICLE BY GEORGE L. WARREN

The Preparatory Commission for the International Refugee Organization (PCIRO) met for the fifth time at Geneva on January 20, 1948.² The purpose of the meeting was to consider the status of adherences to the Iro constitution, to adopt budgets for the current and ensuing fiscal years, and to take action indicated by consideration of the report of the Executive Secretary. The Commission had assumed operating responsibilities on behalf of Iro on July 1, 1947, for the care, repatriation, and resettlement of displaced persons.

Status of the International Refugee Organization

The French and Belgian Delegates advised the Commission that their Governments had completed the required legislative actions and would soon deposit certificates of ratification to the Iro constitution with the Secretary-General of the United Nations. It was noted that the deposit of ratifications by France and Belgium would bring

¹ Released to the press by the White House on Mar. 25.

² For the report of the 4th meeting of the Preparatory Commission for Iro, see BULLETIN of Sept. 28, 1947, p. 638.

ACTIVITIES AND DEVELOPMENTS

the number of adherences to IRO to 13 and that the adherence of two additional governments would be required to bring the Iro into being. The total percentage of governments' contributions, including those of France and Belgium, would be 75.24 percent. The Brazilian Delegate announced the intention of his Government to introduce appropriate legislation in the Congress immediately upon the signing of an interim working agreement with the Commission. The hope was expressed that Brazil might complete its adherence by March 31, 1948.

Budget Discussions

Budgets authorizing expenditures of \$119,000,-000 in the current fiscal year and of \$155,000,000 for the fiscal year 1948-49 were approved by the Preparatory Commission. Together the two budgets provide funds for the resettlement of 679,000 displaced persons and the repatriation of 179,000. The budget for the current fiscal year is \$3,443,000 higher than that approved at the October meeting of the Preparatory Commission. This was made possible by an increase in anticipated revenue, by receipt of \$1,500,000 from the assets of UNRRA, and anticipated reimbursements from the Australian Government of \$580,760 for the transportation of displaced persons to Australia and the return of prisoners of war to Europe in Pciro ships.

A comparison of the budgets for the fiscal years 1947-48 and 1948-49 reveals the extent to which Pciro hopes to increase the rate of resettlement of refugees. The budget for the current fiscal year devotes 12 percent to resettlement costs as compared with 36 percent in the budget for 1948-49. Increased resettlement will result in a decrease in care and maintenance costs from 68 percent of the current year's budget to 48 percent of the 1948-49 expenditures.

Resettlement Overseas

The discussion on the budgets developed the information that Pciro has seven ships in operation in moving displaced persons overseas for resettlement in Australia, Brazil, Canada, and Venezuela. Four of these are chartered from the U. S. Army. Displaced persons numbering 17,300 have already been recruited by immigration selection missions or are in possession of immigration visas and are awaiting transportation from Austria, Germany, and Italy. It was estimated that four extra ships would be required to move these persons immediately.

Cut-off Date

In the discussion of the budget for 1948-49 the United Kingdom Delegate took the initiative in proposing a cut-off date before which a refugee must have left his country of origin or former habitual residence in order to qualify for Iro assistance. This proposal was advanced for the purpose

of defining the total of the refugee problem which Iro faces and for discouraging the influx of new refugees to the areas of assistance. Several European representatives opposed the suggestion to set a date after which refugees could not qualify for Iro assistance, stating that Iro had an obligation to governments which have large numbers of refugees already on their territories and which have a vital concern in any transfer to them of full responsibility for new arrivals on their territory after the established cut-off date. For budgetary reasons, the United States Delegate suggested that the General Council of Iro, when activated, consider the establishment of a cut-off date such as February 1, 1948. The United States Delegate stated, however, that his Government would not be indifferent to the situation of any group of refugees which might be affected by the cut-off date, and would give consideration to the reporting of any such groups of refugees as might be affected by the decision when and if taken to the United Nations.

Quotas of Displaced Persons To Be Accepted by Countries of Resettlement

The Executive Secretary reported that as a result of inquiries since the previous meeting he wished to withdraw his earlier suggestion for calling an international conference of governments to establish quotas of displaced persons to be accepted by countries of resettlement. In lieu of such a conference it was proposed that he be instructed to consult governments individually to secure their voluntary estimates of the numbers of refugees and displaced persons which they would be willing to accept as their fair share of the total to be resettled. This suggestion was adopted by the Commission.

Eligibility of Volksdeutsche in Austria

After an extended discussion on the eligibility of the *Volksdeutsche* in Austria, based on two reports presented to the Commission by the Executive Secretary, the Commission voted to refer the problem of the eligibility of the *Volksdeutsche* to the General Council of Iro when activated.

IRO Relations With Voluntary Organizations

An *ad hoc* subcommittee of the Preparatory Commission conferred with representatives of voluntary agencies during the meeting of the Commission and received verbal and written statements by the organizations, which by vote of the Commission were referred to the Executive Secretary for information and consideration.

The Commission recessed on January 31 to reconvene on May 4, 1948, unless the International Refugee Organization comes into being before that date, in which event the Commission will meet no later than May 15, 1948.

THE RECORD OF THE WEEK

Italy Accepts Proposal of U.S., U.K., and France To Place Free Territory of Trieste Under Italian Sovereignty¹

MEMORANDUM OF DEPARTMENT OF STATE OF MARCH 20, 1948

The Government of the United States desires to propose to the Government of Italy that it agree to the early consideration, jointly with the Governments of the United Kingdom, France and the Union of Soviet Socialist Republics of the negotiation of a Protocol to the Treaty of Peace with Italy to provide for the return of the Free Territory of Trieste to Italian sovereignty.

It will be recalled that the Government of the United States has consistently maintained that the entire area of the Free Territory is ethnically and historically Italian territory and that this Government agreed to its separation from Italy only on the condition that it should be truly independent and that the human rights of the people be fully protected and guaranteed against all possibility of suppression or infringement. This condition is now apparently impossible of achievement and therefore this Government has concluded that the rights and interests of the overwhelmingly Italian population of the area can be assured only through the return of the Free Territory to Italian sovereignty.

The Government of the United States has decided upon this proposal in view of the proven unworkability of the provisions of the Treaty of Peace with Italy establishing the Free Territory. It is the considered opinion of this Government that certain elements of the population have succeeded in establishing conditions which make inoperative the guarantees of true independence for the Territory and the protection of the basic rights of the people as envisaged in the Permanent Statute of the Free Territory. The successful establishment of a Free Territory was recognized from the first as being entirely dependent upon the fullest cooperation and good will of all concerned. However, from the first hours of the history of the area as a Free Territory it became all too

apparent that certain elements were intent upon preventing the establishing of a truly independent Free Territory of Trieste. Subsequent events have further proven that the most fundamental human rights have been denied and a totalitarian system has been established in the Zone of the Territory placed under the temporary administrative responsibility of the Commander of the Yugoslav forces in the Free Territory of Trieste. These developments have convinced the Government of the United States that the settlement envisaged in the Treaty of Peace with Italy cannot successfully guarantee freedom for the people of the area or true independence for the Free Territory of Trieste.

The Government of the United States, after consultation with the Governments of the United Kingdom and France, has therefore decided to recommend the return of the Free Territory of Trieste to Italian sovereignty as the best solution to meet the democratic aspirations of the people and make possible the reestablishment of peace and stability in the area. It is hoped that the Government of Italy will concur in this view and agree to the immediate negotiation of a protocol to the Treaty of Peace with Italy to effect this solution of the problem.

It is proposed that such protocol as may be agreed to by the Powers concerned would, prior to coming into force, be submitted to the Security Council for its approval in view of the special responsibilities assumed by the Council in connection with the Free Territory of Trieste.

A similar communication is being addressed to the Government of the Union of Soviet Socialist Republics.

¹ Released to the press Mar. 23. For recommendations of the three Governments, see BULLETIN of Mar. 28, 1948, p. 425.

[REVERSE SIDE]

**TEXT OF NOTE FROM THE ITALIAN AMBASSADOR IN REPLY TO THE
MEMORANDUM OF THE DEPARTMENT OF STATE**

March 22, 1948

MR. SECRETARY OF STATE,

With reference to the memorandum delivered by the Department of State on the 20th instant concerning the proposal of the Government of the United States to consider, together with the Governments of the United Kingdom, France and the Soviet Union, the negotiation of a protocol to the Treaty of Peace with Italy providing for the return of the Free Territory of Trieste to Italian sovereignty, I have the honor, on instructions from my Government, to communicate to you the following:

1. The Italian Government learned with very keen and legitimate satisfaction that the Governments of the United States, the United Kingdom and France had reached the conclusion that the reestablishment of a free order and respect for the democratic aspirations of the great majority of the population of the Free Territory of Trieste can only be guaranteed by the return of the Territory to Italian sovereignty.

2. The Italian Government is prepared to participate to that end together with the Governments of the United States, the United Kingdom, France and the Soviet Union through the drawing up of a protocol which will be submitted to the Security Council for approval.

3. The Italian Government speaks for the entire Italian people and the people of the Free Territory in expressing their rejoicing. It realizes fully the importance and significance of the proposal jointly put forward by the Governments of the United States, the United Kingdom and France. This proposal not only constitutes the recognition of a fundamental principle of international justice, but, when realized, can likewise constitute a guaranty of peace and of that sincere collaboration which Italy desires with the neighboring Yugoslav people.

Please accept [etc.]

ALBERTO TARCHIANI
Ambassador of Italy

Transfer of Passenger and Cargo Vessels to Italy

STATEMENT BY THE PRESIDENT

[Released to the press by the White House March 16]

Fourteen of the ships transferred to Italy today are Italian vessels seized by the United States during the war. The other 15 are the equivalent tonnage of Italian ships which were seized by the United States and lost during the conflict or reduced to such a condition that they could not be returned.

The Italian vessels seized by the United States during the early years of the war played an important part in the victory against dictatorship to which the Italian people contributed so much after

their own liberation from Fascism. They are returned now to rejoin the Italian Merchant Marine and work again for the rebuilding of peace and the restoration of a prosperous Italy.

In making this transfer, I am happy to express again the feeling of friendship and admiration of the American people for the Italian people, who, in these brief years since the war ended in Europe, have made such courageous strides forward in the democratic faith and repeatedly shown the world that, supported with courage and wisdom, this faith cannot and will not falter or fail.

EXECUTIVE ORDER 9935

[Released to the press by the White House March 16]

By virtue of the authority vested in me by the Constitution and laws of the United States, including the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended, and the act of August 5, 1947, Public Law 370, 80th

Congress, 1st Session, it is hereby ordered as follows:

1. The Attorney General and the United States Maritime Commission are authorized and directed to transfer to the Government of Italy all right, title, interest, and possession of the United States, the Attorney General, or the Maritime Commission in the following vessels, which were under Italian registry and flag on September 1, 1939:

¹ 13 *Federal Register* 1395.

Elwood (<i>ex. Laconia</i>)	White Clover (<i>ex. Monfiore</i>)
Gallant Fox (<i>ex. Guian</i>)	Alcibiades (<i>ex. Iole Fassio</i>)
Gold Heels (<i>ex. Brennero</i>)	Faireno (<i>ex. Dentice</i>)
Hermitage (<i>ex. Conte Biancamano</i>)	Malvern (<i>ex. Trottiera</i>)
Lowlander (<i>ex. Leme</i>)	Monticello (<i>ex. Conte Grande</i>)
Mokatan (<i>ex. Mar Glauco</i>)	Swivel (<i>ex. Bacicin Padre</i>)
Troubadour (<i>ex. Confidenza</i>)	
Typhoon (<i>ex. Colorado</i>)	

2. The United States Maritime Commission is authorized and directed to designate 15 surplus Liberty ships and to transfer them to the Government of Italy,² it having been determined by the Commission that 15 Liberty ships have a total tonnage approximately equal to the total tonnage of vessels under Italian registry and flag on September 1, 1939, and subsequently seized in United States ports and thereafter lost while being employed in the United States war effort.

3. The above transfers shall be made pursuant to agreements to be executed by the Attorney General or the United States Maritime Commission or both, as the case may require, acting on behalf of the United States, and by the Government of Italy, which agreements shall contain substantially the following provisions and such other provisions consistent with the act of August 5, 1947, as the Attorney General and the Maritime Commission, in consultation with the Secretary of State, shall consider necessary and appropriate:

(a) No monetary compensation shall be paid for the use by the United States or its agencies of former Italian vessels acquired or seized by the United States after September 1, 1939.

(b) All costs incurred to return or transfer a vessel to the Government of Italy shall be borne or reimbursed by the Government of Italy.

(c) The Government of Italy shall agree to discharge and save harmless the Government of the United States of America from any responsibility and liability for the processing, settlement and satisfaction of any claims to or against the vessels so transferred or the lost vessels in respect of which substitute vessels are transferred.

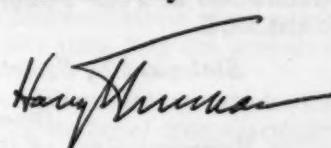
(d) Prior to the removal of any vessel to be transferred from the custody, actual or constructive, of any court, the Government of Italy shall make or cause to be made arrangements, including the posting of a stipulation for value or other security in nature and amount satisfactory to such court, to secure the payment of any unpaid claims against the vessel.

(e) Of the 15 surplus Liberty ships designated for transfer to the Government of Italy the Maritime Commission shall retain such number as will constitute security for the payment of such sums of money as the Attorney General may determine sufficient for the processing, settlement and satisfaction of any claims not otherwise secured to or against the lost vessels in respect of which the substitute ships are being transferred.

(f) Delivery of the *Hermitage* (*ex. Conte Biancamano*) and *Monticello* (*ex. Conte Grande*) pursuant to this order shall be without prejudice to any rights of the Government of the United States, under existing agency agreements with the Government of Italy, with respect to (1) accounting for revenues of such vessels accruing prior to the date of delivery of such vessels pursuant to this order, and (2) the operation of the S.S. *Saturnia* and S.S. *Vulcania*, or either, in accordance with existing agreements between the United States and Italy.

4. The Liberty ships to be transferred to the Government of Italy shall be selected by the United States Maritime Commission, in consultation with the Government of Italy, such vessels to be operated by Italy for commercial use. Provision shall be made that such Liberty ships are to be operated under the Italian flag and shall not be sold to any person or corporation not a national of Italy, without the consent of the Government of the United States.

5. The Attorney General and the United States Maritime Commission shall act in consultation with the Secretary of State in carrying out the terms of this Executive order with all possible promptness in a manner which will effectuate the foreign policy of the United States to assist friendly and democratic European nations to rebuild their economies without delay.



THE WHITE HOUSE,
March 16, 1948.

Additional Treaties With Italy U.S. Will Keep in Force or Revive

[Released to the press March 16]

Text of a note from Ambassador Dunn delivered on March 12, 1948, to the Italian Foreign Office by the American Embassy at Rome

I have the honor to refer to my note of February 6, 1948 giving official notification, in accordance with Article 44 of the Treaty of Peace with Italy dated at Paris February 10, 1947, regarding the pre-war bilateral treaties and other international agreements with Italy which the United States desires to keep in force or revive.³ It was stated

² The names of the Liberty ships transferred are as follows: Fort Wedderburne, Fort Gasperan, Fort Charnisay, Fort Hudson's Hope, Fort Maurepas, Fort Fork, Fort MacMurray, Fort Simpson, Fort Kootenay, Fort La Traite, Fort Walsh, Fort Rae, Fort Frederick, Fort Gibraltar, and Fort Acton.

³ BULLETIN of Feb. 22, 1948, p. 248.

THE RECORD OF THE WEEK

in that notification that the reciprocal copyright arrangement between the United States and Italy and the agreement for the protection of trademarks in Morocco would be the subject of a separate communication.

I have the honor to inform you now that the Government of the United States of America wishes to include the reciprocal copyright arrangement between the United States and Italy effected pursuant to the exchange of notes signed at Washington October 28, 1892, and the exchanges of notes signed at Washington September 2, 1914, February 12, March 4, and March 11, 1915, among the pre-war bilateral treaties and other international agreements with Italy which the United States desires to keep in force or revive. Accordingly, it is understood that the aforementioned arrangement will continue in force and that the Government of each country will extend to the nationals of the other country treatment as favorable with respect to copyrights as was contemplated at the time the arrangement was entered into by the two countries.

The Government of the United States of America also desires to continue in force or revive the agreement for the protection of trademarks in Morocco, effected by exchange of notes signed at Tangier June 13, July 29, and December 19, 1903 and March 12, 1904.

**Reiteration of Four Power Responsibilities
In the ACC**

Statement by Secretary Marshall

[Released to the press March 25]

The Representatives of this Government have tried diligently and patiently for nearly three years and are still trying to make the Allied Control Council an effective organization for the administration of Germany as an economic and political unit. Their efforts have to a large extent been frustrated by the tactics of the Soviet Representatives on the Council. The ACC in Berlin as well as the joint occupation of the city are established by governmental agreement. Any further attempt to disrupt the functioning of the Allied Control Authority, as initially suggested by the conduct of the Soviet Representative on March 20, could only be construed as reflecting an intention, which the United States does not share, to renounce efforts to obtain Four Power agreement on policies for Germany and would be regarded as unilateral action aimed against the unification of Germany. In accordance with the international agreement binding on all four control powers, the United States intends to continue to fulfill its responsibilities as a member of the Control Council and as a joint occupant of the city of Berlin.

**German "People's Congress" Condemned
by U.S. and U.K.**

Statement by Secretary Marshall

[Released to the press March 25]

The self-styled German "People's Congress" was organized in December, 1947, under the auspices of the Socialist Unity Party of the Soviet zone, and functions as a Communist-dominated organization. Its membership indicates that it represents but a small minority of the German population. It has been condemned by the United States and British occupation authorities as "a deliberate attempt by the organizers to circumvent the policies of military government to ensure that political activities are conducted honestly and openly. . . . The People's Congress purports to represent all parties and sections of the population but in fact it has been repudiated by all the recognized political parties except the Communist Party". On these grounds it has been denied authorization of its activities in the bizonal area.

The so-called "People's Congress" has no legitimate claim to represent the German people as a whole, and it is practicing a cruel deception upon the German people in seeking to impose itself upon them as a substitute for genuine German unity.

**Nonmilitary Aspects of German Occupation To
Remain Under Department of the Army**

[Released to the press by the White House March 23]

On January 27 the Department of the Army announced that an agreement had been reached that the Department of State should assume the responsibility for the nonmilitary aspects of the German occupation, looking toward the transfer of such responsibility on or about July 1, 1948. Following a review of the present situation, it has been decided that it would be inadvisable to make any changes in our present administrative arrangements for Germany. This decision will not have any adverse effect on progress toward developing German responsibility for self-government and administrative initiative.

General Clay remains as military governor and as commander-in-chief of the United States forces in Europe.

**No Immediate Plans for Meeting of French,
British, and American Foreign Ministers**

[Released to the press March 23]

The Department of State announced on March 23 that there is no plan for a meeting between M. Bidault, Mr. Bevin, and Secretary Marshall. It is hoped, however, that the three Governments will establish the closest consultation on all matters of mutual interest. Whether this consultation will take the form of a meeting between the three Secretaries or through some other method cannot be determined at the moment.

Reply to Soviet Objections to Tripartite Discussions on Germany

TEXT OF NOTE TO THE SOVIET AMBASSADOR FROM ASSISTANT SECRETARY ARMOUR

[Released to the press March 26]

EXCELLENCY: I have the honor to acknowledge the receipt of your note, No. 50, of March 6, 1948, concerning the discussions which the Governments of the United States, the United Kingdom and France held in London respecting Germany.

In its note of March 6, the Soviet Government reiterated the views expressed in the Soviet Embassy's communication of February 13, 1948, to the effect that the London discussions were in contradiction to the Potsdam Agreement and to the Agreement on Control Machinery for Germany. In its memorandum of February 21, 1948, the Department of State pointed out that these talks were arranged for a discussion of problems in Germany of mutual interest to the three governments, and that there is no provision in the Potsdam Agreement, or other agreements relating to Germany concluded by the four occupying powers, which prevents any of the powers from discussing between themselves questions of common concern.

The United States Government notes that the Soviet Government continues to fail to recognize that the three powers have been obliged to consult among themselves at this time as a result of the unwillingness of the Soviet Government to implement the principles of economic unity as well as other principles of the Potsdam Agreement. The Soviet Government claims that the other occupying powers have undertaken a series of unilateral actions, contrary to the four-power agreement with respect to Germany.

The Soviet Government cites, as the first expression of such policy, the agreement between Great Britain and the United States with respect to the economic fusion of their respective zones of occupation in Germany. The note of the Soviet Government states: "It is well known that the question of creating a unified Anglo-American Zone was not even submitted for the consideration of the Control Council". This statement does not correspond to the facts. At the meeting of the Allied Control Council in Berlin on July 20, 1946, General McNarney made the following statement on behalf of his Government:

"The United States Government is of the view that no zone in Germany is self-sustaining. The treatment of two or more zones as an economic unit would improve conditions in the zones concerned.

"Therefore, the United States Government has authorized its representative on the Allied Control

Council to join with the representatives of any other occupying power or powers in measures for the treatment of our respective zones as an economic unit, pending quadripartite agreement which would permit the application of the Potsdam decision to treat all of Germany as an economic unit so as to attain a balanced economy throughout Germany.

"While the United States would prefer quadripartite agreement to implement the Potsdam decision for the establishment of central German administrative agencies for Germany as a whole, its representative is prepared to cooperate with the representatives of any or all of the other occupying powers in Germany in establishing administrative arrangements to secure economic unity.

"The United States does not intend by its present proposal to divide Germany but rather to expedite its treatment as an economic unit.

"Any arrangements which representatives of the United States may make with the representatives of any other occupying power will be open on equal terms to the representatives of all other occupying powers at any time they are prepared to participate.

"The United States Government proposes this arrangement because of its belief that Germany can no longer be administered in four air-tight compartments without free economic interchange unless economic paralysis is to result. The United States Government is unwilling to permit creeping economic paralysis to grow if it is possible to attain economic unity between its zone and any other zone in Germany as a prelude to economic unity for all Germany."

According to the official minutes of the Allied Control Council (CONL/M(46)19), the meeting agreed in view of the unpreparedness of the other delegations to defer consideration of the United States proposal. At the next meeting on July 30, 1946, according to the official minutes (CONL/M(46)20), the Control Council considered the United States Government's proposal. At this meeting Marshal Douglas announced that after full consideration the British Government had authorized him to accept, in principle, General McNarney's offer. Comments on the United States proposal were made by the Soviet representative at this meeting and by the French representative at subsequent meetings.

It should be recalled that the same offer of the United States Government to join its zone economically with that of any other occupying power had previously been made before the Council of Foreign Ministers by the Secretary of State, Mr. Byrnes, on July 11, 1946, at Paris, and was subsequently reiterated by him in an address at Stuttgart on September 6, 1946. The responsibility for rejection of this offer and for failure to include its zone in this economic arrangement lies upon the Soviet Union itself.

The threat to the authority of the Allied Control Council does not arise from the actions of the United States, but rather from the consistent pursuit by the Soviet Government in the eastern zone of Germany of a systematic unilateral policy of its own. The Soviet Government has failed to observe the principle of economic unity provided for in Section III, B, 14, of the Potsdam Agreement. It has likewise failed to insure, as provided in Section III, B, 15 (c), of the same agreement, "the equitable distribution of essential commodities between the several zones so as to produce a balanced economy throughout Germany and reduce the need for imports". It has carried out reparation removals of industrial capital equipment from the eastern zone without regard to agreed limitations on such removals and without consideration of the legitimate peace-time requirements of the German economy. It has also continuously taken reparation in the form of resources and current production, contrary to the understanding at Potsdam. The Soviet Government under the guise of reparation has taken into its possession in gigantic trusts (the so-called Soviet A. G's) major industrial establishments in the eastern zone accounting for 25 to 30 per cent of the total remaining industrial productive capacity.

The Soviet Government has furthermore carried out in its zone a unilateral policy with respect to political activity. The Potsdam Agreement envisaged that local self-government would be re-established throughout Germany on democratic principles; that all political parties with rights of assembly and of public discussion should be allowed and encouraged; and that representative and elective principles should be introduced in the various levels of government. In actual practice, however, the Socialist Party was suppressed by the imposed amalgamation with the Communist Party into the Socialist Unity Party, which has become the new bulwark for a totalitarian regime in eastern Germany, while the other authorized political parties have been subjected to pressure, discrimination and intimidation, and have not been enabled to function freely. Basic human rights are being denied the population, while concentration camps are being used anew for individuals unwilling to accept this new totalitarianism. It is the unilateral policy of the Soviet Union which

has cut off eastern Germany from its natural intercourse, political and economic, with western Germany.

The Soviet Government not only charges the other three governments with the inadequate functioning of the Allied Control Council but also with the failure of the Council of Foreign Ministers to reach agreement on German questions during its 1947 sessions held in Moscow and London. The official records of these conferences do not confirm the Soviet Government's assertion that it made efforts to bring about four-power agreement by meeting half-way the proposals of the other powers. The Soviet Government resorts to a curious logic when it seeks to demonstrate its assertion by enumerating proposals of the Soviet Union not found acceptable by the other three powers. By a sincere effort to arrive at reasonable compromises the Governments of the United States, the United Kingdom and France were able to arrive at many agreed positions, only to find that the Soviet Government was not likewise ready to seek solutions acceptable to all four powers.

It is impossible not to draw the inference from the known proceedings of the Allied Control Council and the Council of Foreign Ministers that the Soviet Government has been pursuing in Germany objectives different from those of the other occupying powers, who are seeking the pacification of Germany and the economic recovery of Europe as a whole, including Germany. This inference appears to be borne out by the extensive remarks in the Soviet Government's note of March 6 directed against American aid in the economic recovery of Europe as well as against the economic and political cooperation of the United Kingdom, France, Belgium, Holland and Luxembourg confirmed in the treaty signed at Brussels, March 17. It is not these steps which have led to the political cleavage of Europe as claimed by the Soviet Government, but rather prior actions of the Soviet Government and a group of eastern European states under Soviet influence which have disrupted the normal framework of the European community and interfered with the progress of recovery from the effects of the war.

In the light of the foregoing, the United States Government is not able to agree with the Soviet Government's interpretation of the London discussions on the German question. The London discussions sought the solution of the urgent political and economic problems which have arisen as a result of the continuous failure to reach and implement quadripartite agreement, due to the attitude of the Soviet Government. As was stated in the communique issued on March 8 by the representatives of the powers participating in the informal London discussions: "The participating powers had in view the necessity of ensuring the economic reconstruction of western Europe includ-

ing Germany, and of establishing a basis for the participation of a democratic Germany in the community of free peoples. While delay in reaching these objectives can no longer be accepted, ultimate Four Power agreement is in no way precluded".

Accept [etc.]

For the Secretary of State:

NORMAN ARMOUR
Assistant Secretary of State

PUBLICATIONS

Foreign Relations of the United States, 1932, Volume II, Released

[Released to the press March 22]

The Department of State released on March 22 *Foreign Relations of the United States*, 1932, volume II. Four other volumes for the year will be released within the next few months as soon as they are ready.

The year 1932 is the first for which more than three regular annual volumes have been prepared. The increase in number of volumes has become necessary in order to continue properly to set forth a yearly record of the Department's diplomatic activities in a period when international relations were assuming greater importance. With this increase in number of volumes the former method of arranging the country sections in a purely alphabetical order has been found inadequate. Beginning with the volumes for 1932, aside from a general section, the volumes are arranged on an area basis. Volume I for 1932 will contain the general section, including papers on international conferences and other matters of a multilateral nature. Volume II, now being released, contains country sections, arranged in three groups, the British Commonwealth of Nations, Europe, and the Near East and Africa. The third and fourth volumes will contain the documents on the Far East and the fifth volume those relating to the American republics.

For the most part, volume II deals with subjects of a commercial or legal nature. Of special importance in the political field is the collection of reports on internal developments in Germany which shed light on the growing threat of the Nazis to the Weimar Republic in the year before Hitler finally seized power.

Copies of *Foreign Relations of the United States*, 1932, volume II (lxxxvi, 827 pages), may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D.C., for \$3 each.

Department of State

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

American Mexican Claims Commission: Report to the Secretary of State, under the act of Congress set up December 18, 1942. Arbitration Series 9. Pub. 2859. iii, 676 pp. \$1.50.

Relevant documents with decisions of the Commission showing reasons for the allowance or disallowance of the claims.

Liquidation of German Property in Sweden. Treaties and Other International Acts Series 1657. Pub. 2970. iii, 52 pp. 15¢.

Accord Between the United States of America, France, the United Kingdom, and Sweden—Signed at Washington July 18, 1946; entered into force March 28, 1947.

Food Production: Cooperative Program in Peru. Treaties and Other International Acts Series 1669. Pub. 3000. 23 pp. 10¢.

Agreement Between the United States of America and Peru Further Extending and Modifying Agreement of May 19 and 20, 1943—Signed at Lima December 4, 1946, and January 20, 1947; entered into force January 20, 1947, effective January 1, 1947.

American Dead in World War II. Treaties and Other International Acts Series 1672. Pub. 3007. 10 pp. 5¢.

Agreement Between the United States of America and Belgium—Signed at Brussels June 6 and July 23, 1947; entered into force July 23, 1947.

United States Educational Foundation in China. Treaties and Other International Acts Series 1687. Pub. 3050. iii, 25 pp. 10¢.

Agreement Between the United States of America and China—Signed at Nanking November 10, 1947; entered into force November 10, 1947.

Digest of UNESCO Program for 1948. International Organization and Conference Series IV, United Nations Educational, Scientific and Cultural Organization 2. Pub. 3081. 9 pp. 5¢.

A six-point program for promoting peace and security by marshaling the cultural and educational resources of the world.

UNESCO and the National Commission: Basic Documents. International Organization and Conference Series IV, United Nations Educational, Scientific and Cultural Organization 3. Pub. 3082. 17 pp. 10¢.

Constitution of UNESCO, act providing U.S. membership, and list of officers and members of the U.S. National Commission for UNESCO.

National Commission News, April 1, 1948. Pub. 3090. 10 pp. 10¢ a copy; \$1 a year; foreign subscription \$1.35 a year.

Prepared monthly for the United States National Commission for the United Nations Educational, Scientific and Cultural Organization.

Contents

The United Nations and Specialized Agencies

- World Health Organization—Progress and Plans. Article by H. van Zile Hyde, M.D.
 Completion of Iro Charter Hailed as Hope for Troubled World:
 Statement by the Department of State
 Statement by the President
 Statement by Secretary Marshall
 Statement by William L. Clayton
 Statement by Ambassador Warren R. Austin
 U.S. Position in the United Nations Regarding Chilean Complaint. Statement by Ambassador Warren R. Austin
 Resolution on Yugoslav Gold Reserves in U.S.
 U.N. Documents: A Selected Bibliography
 Report on Fifth Meeting of Preparatory Commission for IRO. Article by George L. Warren
 U.S. Position in the United Nations Regarding Palestine. Statement by the President

Treaty Information

- Italy Accepts Proposal of U.S., U.K., and France To Place Free Territory of Trieste Under Italian Sovereignty:
 Memorandum of Department of State of March 20, 1948
 Text of Note From the Italian Ambassador in Reply to the Memorandum of the Department of State
 Additional Treaties With Italy U.S. Will Keep in Force or Revive

Occupation Matters

- Reiteration of Four Power Responsibilities in the Acc. Statement by Secretary Marshall

Occupation Matters—Continued

Page		Page
431	German "People's Congress" Condemned by U.S. and U.K. Statement by Secretary Marshall	456
441	Nonmilitary Aspects of German Occupation To Remain Under Department of the Army	456
443	Reply to Soviet Objections to Tripartite Discussions on Germany. Text of Note to the Soviet Ambassador From Assistant Secretary Armour	457

Economic Affairs

446	U.S. Observers to Sixth Pan American Railway Congress	449
448	U.S. Delegation to First Session of Chemical Industries Committee	450
448	U.S. Delegation to Fifth International Leprosy Congress	450
451	Transfer of Passenger and Cargo Vessels to Italy: Statement by the President Executive Order	454

Calendar of International Meetings

453	Deputy Chairman of Policy Group on Bogotá Conference Designated	449
454	No Immediate Plans for Meeting of French, British, and American Foreign Ministers	456

The Foreign Service

455	Regional Consular Conferences at Mexico City and Capetown	450
-----	---	-----

Publications

456	Foreign Relations of the United States, 1932, Vol. II, Released	459
	Department of State	459